1	BEFORE THE
2	ILLINOIS COMMERCE COMMISSION
3	PLUG-IN ELECTRIC VEHICLE INITIATIVE
4	POLICY MEETING
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8	Chicago, Illinois March 9, 2011
9	Met, pursuant to notice, at 1:30 p.m.
10	
11	BEFORE:
12	MR. DOUGLAS P. SCOTT, Acting Chairman
13	MS. LULA M. FORD, Commissioner
14	MS. ERIN M. O'CONNELL-DIAZ, Commissioner
15	MR. SHERMAN J. ELLIOTT, Commissioner
16	MR. JOHN T. COLGAN, Acting Commissioner
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19	
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21	SULLIVAN REPORTING COMPANY, by Auhdikiam Carney, CSR
22	License No. 084-004658

- 1 ACTING CHAIRMAN SCOTT: Good afternoon
- 2 everyone. Thank you very much for coming today.
- 3 Pursuant to the provisions of the Illinois Open
- 4 Meetings Act, I now convene the Plug-In Electric
- 5 Vehicle Initiative Policy Committee Meeting of the
- 6 Illinois Commerce Commission. With me in Chicago are
- 7 Commissioners Ford, O'Connell-Diaz, Elliott, Acting
- 8 Commissioner Colgan, and myself Acting Chairman
- 9 Scott.
- We have a quorum.
- Today we'll be discussing the impact
- of deploying electric vehicles in Illinois. Before
- moving into the policy meeting, this is the time we
- 14 allow the members of the public to address the
- 15 Commission. Pursuant to Section 1700.10 of the
- 16 Illinois Administrative Code, members of the public
- 17 wishing to address the Commission must notify the
- 18 Chief Clerk's Office at least 24 hours prior to the
- 19 bench session. According to the Chief Clerk's
- 20 Office, we have not received any requests to speak.
- 21 As a preliminary matter, I note that
- 22 the opinions expressed by the commissioners in the

- 1 course of this meeting are those of the respective
- 2 commissioners and should not be interpreted as a
- 3 reflection of any Commission policy or the view of
- 4 the Commission as a whole, nor should they be viewed
- 5 as indicative of any action the Commission might take
- 6 in impending future proceedings. I will now turn the
- 7 floor over to Commission O'Connell-Diaz for the
- 8 Plug-in Electric Vehicle Initiative Policy Meeting.
- 9 COMMISSIONER O'CONNELL-DIAZ: Thank you,
- 10 Mr. Chairman. Just so everybody knows, Chairman
- 11 Scott will be acting as my -- riding sidesaddle with
- 12 me in this. As we move forward, he will be the
- 13 co-chair of this initiative and we're really happy to
- 14 have him on board and I'm really glad to have him
- working with me as we move forward with this
- 16 important initiative.
- 17 First of all, welcome everybody to the
- 18 first meeting, this is our kick-off meeting. We have
- 19 been working on this since the fall and as everybody
- 20 knows the objective of the this initiative is to
- 21 establish a statewide forum to discuss proactively
- 22 how the Illinois Commerce Commission can ensure that

- 1 our state will be prepared for the inevitable
- 2 deployment of this green mode of transportation.
- 3 With gas prices hovering in the \$4 range and no
- 4 relief in sight, the time is here, the time is now
- 5 and Americans' attention are focussed like never
- 6 before in a quest for options that will keep green in
- 7 their pocket, assist in our national security and
- 8 improve our planet's health.
- 9 I thought it was important for you to
- 10 see based on the slide that's over on the projector
- of what we've been doing since we started this
- 12 initiative in September. We had sent out -- it
- 13 wasn't a white paper, but areas of questions that we
- 14 thought were important that our public utility in our
- 15 state gave us assessments on. They filed comments
- 16 and then we had or stakeholder process begin with
- 17 comments coming in from stakeholders. So far we have
- 18 received nine stakeholder comments to the utility
- 19 assessment representing various interests throughout
- 20 our state, municipalities, areas, consumer advocates,
- 21 and agencies. We welcome everyone to this
- 22 initiative. If you have not participated so far, we

- 1 look forward to having you join the party and bring
- 2 your brains and your brawn and we would like you to
- 3 be apart of this ongoing process. For anyone that
- 4 doesn't know, the assessments and the comments can be
- 5 found entirely on the Commission's Web site. There
- 6 is a special section there with regard to this.
- 7 As you may know, the electric vehicle
- 8 is a not a new phenomenon, but it's been with us for
- 9 over a hundred years. I'd like to share with you an
- 10 article from the New York Times instilling the
- 11 virtues of the electric vehicle. Electric vehicles
- 12 attract attention. Pleasure cars not forgotten at
- 13 Garden Motor Truck show, record attendance. Even
- 14 though most of vehicles shown at Madison Square
- 15 Garden this week are those of the strictly business
- 16 variety. The second part of the National Automobile
- 17 Show has been attended by a great many visitors of
- 18 the fair sex. Some of the women have gone to the
- 19 Garden with those whose interest have been
- 20 practically confined to the gasoline commercial cars,
- 21 but the majority of the women have gone to examine
- the four makes of electric passenger vehicles that

- 1 are displayed in the building this week. The
- 2 designers of the electrical passenger carrying
- 3 vehicles have made great advances in the past few
- 4 years and these machines have retained all their
- 5 early popularity and are steadily growing in favor
- 6 with both men and women. They are very handy for use
- 7 in the city and numbers of best know and most common
- 8 makers of gasoline cars in this country use electric
- 9 cars for driving between their homes and their
- 10 offices.
- 11 The enthusiastic interest recently
- 12 shown by the electric power companies all over the
- 13 country and furthering the cause of the electric
- 14 passenger vehicles insures a still greater use of
- 15 these machines. In the past it was sometimes
- 16 difficult to make arrangements to have electrics
- 17 charged unless the vehicles were stored in the garage
- 18 where owners of electrics were catered to, but this
- 19 state of affairs could change. Now it is possible
- 20 for an owner of an electric to install his own
- 21 charging plant in his stable and the electric power
- 22 companies are anxious to connect their feed wires to

- 1 these individual charging plants.
- 2 So as you can see, the electric
- 3 vehicle is not new. It is something that we have
- 4 lived with for over a hundred years in our country
- 5 and we're here to bring that next chapter to
- 6 fruition. As Secretary Chief told us when we
- 7 participated in the NARUC DOE forum two weeks ago
- 8 that our goal in transformation of our electric grid
- 9 for the 21st Century should be to insure that Thomas
- 10 Edison couldn't recognize it. The same could be said
- 11 for the goals of electric vehicles. Electric
- vehicles, natural gas vehicles are just one of the
- options on the menu of ways that we can change our
- 14 energy future in America. And just to show you where
- we have gotten to since we've seen this photo from a
- 16 hundred years ago, we have a clip here from our auto
- 17 show. I'm not sure what kind of commercial we're
- 18 going to have on here, so bear with us.
- 19 So as we can see the electric vehicle
- 20 is not new. We now have a new charge from our
- 21 president that we would like to see 1 million
- 22 electric vehicles on U.S. roads by 2015. Many of you

- 1 may be aware that the auto manufacturers did not have
- 2 Illinois on their list for the initial roll out of
- 3 PEVs. Part of our job here today is to change their
- 4 minds and to show them that we are ready, willing,
- 5 and able to bring these new vehicles into our
- 6 everyday lives. As we know Illinois is a leader, not
- 7 only in the states, but internationally for its
- 8 collaborative efforts in preparing for key industry
- 9 shifts. Our hard work has gained us a stellar
- 10 reputation for such endeavors such as the post 2000
- 11 initiative process to our most recent success
- 12 Illinois Smart Grid Collaborative and Competitive
- 13 Supplier Workshops. We are here once again to show
- 14 that Illinois is in tune with where this country is
- 15 going and needs to go and we have our finger on the
- 16 pulse of how to continue to keep Illinois in first
- 17 place in the regulatory game.
- In addition, our goal coming out of
- 19 this summer is to make sure that Illinois has a set
- 20 of best practices and a statewide policy framework
- 21 for the integration and an option of PEVs into the
- 22 electric grid. In the process we will also have to

- 1 ensure that any standards developed don't compromise
- 2 the utility's reliability and their ability to
- 3 maintain safe system operation. More importantly, we
- 4 have to take the consumers along with us by providing
- 5 improved customer education and awareness.
- 6 There are many unknowns in the
- 7 process, but what we do know is that everyone has to
- 8 play a role in this transformation of how we do
- 9 energy in America. Wind energy, solar power,
- 10 biomass, electric vehicle, natural gas vehicles are
- 11 all options on the table. Kind of like a menu for us
- 12 to choose from to help our country make this change.
- 13 Our theme as expressed by other NARUC president, Tony
- 14 Clark and every authority that operates in this state
- whether you be a consumer advocate, a Government
- 16 official, or industry representative is one of
- 17 communication and collaboration as we move forward
- 18 with our nation to deal with these pressing issues.
- 19 In Illinois this concept is not a foreign one to us.
- 20 Based on our past successes, we are ready for the
- 21 challenge. So let's get the checkered flag waving
- 22 and as they say at Indy, Ladies and gentlemen start

- 1 your engines.
- 2 As you know, the Commission has called
- 3 together the various investor-owned utilities and
- 4 stakeholders to discuss and respond to a set of
- 5 predetermined questions and concerns based on the
- 6 information provided in the respective assessments
- 7 and comments that I spoke about earlier. Each panel
- 8 that is here today has been allotted specified time
- 9 on the agenda for the discussion. Commissioners will
- 10 feel free to raise any additional questions they have
- 11 throughout the discussion, and we will begin with our
- 12 first panel. Our first panel is made up of
- 13 representatives from Ameren, Blue Star, ComEd,
- 14 MidAmerica, and of course last but not least our ICC
- 15 staff. So I would ask our first panel to begin.
- 16 MR. SCOTT WISEMAN: For those of you listening
- 17 in in Springfield, this is Scott Wiseman with Ameren
- 18 Illinois. I wanted to say, Commissioners, I commend
- 19 you for working with NARUC on this and taking a lot
- 20 of the information that you received at the NARUC
- 21 meeting and kind of bringing that into Illinois. As
- 22 some of you know, when I was executive director I was

- 1 have a big fan of NARUC and thought there was a lot
- 2 to learn from that and I still think that's the case,
- 3 so I want to commend you for taking advantage of
- 4 that.
- 5 Ameren Illinois is very proud to be --
- 6 appreciates the opportunity today to comment on this
- 7 and we feel like we're ready with our electric
- 8 distribution system to handle the load that will be
- 9 coming on based upon all of the assessments of how
- 10 plug-in vehicles will be coming onto the system. We
- 11 are -- I think another thing that Commissioners want
- 12 to know is as a company are we thinking about plug-in
- 13 electric vehicles, and we are. There's been several
- 14 corporate initiatives that we have to study how these
- things are going to roll out and one analogy we like
- 16 to use is back in the day when air conditioners came
- 17 on the system. We even talked to some folks -- Eric
- 18 Kozac is my colleague from Ameren Illinois here today
- 19 and he can feel free to comment about that, but he
- 20 actually went and talked to some of the guys out in
- 21 the field who dealt with the new load that came on
- 22 back when air conditioners started to come on to the

- 1 system and I think they were lessons learned at that
- time. So we're ready to answer questions as you
- 3 bring them to our attention today. So thank you very
- 4 much.
- 5 COMMISSIONER O'CONNELL-DIAZ: Thank you.
- 6 Jennifer, just state your name for the
- 7 record. That would be helpful.
- 8 MS. JENNIFER MOORE: Jennifer Moore of
- 9 MidAmerican Energy. We'd also like to thank you for
- 10 the opportunity to come here and talk about the
- 11 plug-in electric vehicles. I don't really have
- 12 anything new to add to Mr. Weissman's comments.
- 13 MidAmerican is doing the same thing in anticipating
- 14 the roll out, although it may be slower in our
- 15 service territory than in the Chicago area. It's
- 16 still one of the factors that we're going to have to
- 17 be looking at. And similar to -- to echo the
- 18 comments that we also were looking at the increased
- 19 loads and treating it similar those of the air
- 20 conditioners that came on in the '60s and '70s as
- 21 they were rolling in and as we were looking at it to
- 22 study when we thought how many vehicles would come

- 1 into our area. It's going to be slow in our service
- 2 territory since it's a lot smaller than Illinois and
- 3 in Iowa, it's going to be a slower rate, but it's
- 4 good to get out ahead of the curve and thinking about
- 5 it. Thank you.
- 6 MR. ROSS HEMPHILL: Good afternoon,
- 7 Commissioners. My name is Ross Hemphill. I'm the
- 8 vice president of regulatory strategies and policy
- 9 for Commonwealth Edison. And to my right is Mike
- 10 McMahan, who is vice president of smart grid
- 11 strategies. Between the two of us we're going to be
- 12 able to answer questions that you have from a
- 13 technical as well as from policy perspective. We do
- 14 thank you for inviting us to this.
- This is very important, I think, in
- 16 terms of starting the process to talk about something
- 17 that's going to be very important to this area, to
- 18 the State of Illinois. We take the potential
- 19 saturation of PHEVs and EVs very seriously. We
- 20 understand the benefits that it can bestow on the
- 21 region and in the State of Illinois. We are
- 22 approaching this as something that in terms of trying

- 1 to provide advice to the policy making in Illinois as
- 2 first setting the objectives in terms of what you
- 3 want to accomplish with the saturation of EVs and
- 4 PHEVs. And keeping in mind that from a regulatory
- 5 perspective what you want to look at, as you well
- 6 know, is how the regulations can work in conjunction
- 7 with the development of the technology so that
- 8 customers can adopt this technology without
- 9 regulations that would create some types of barriers,
- 10 but balancing the interest of the customers at the
- 11 same time.
- 12 So there are a number of different
- 13 policies in these questions that you laid out here
- 14 that we're prepared to address. It's all with the
- 15 perspective of basically what do we know? What are
- 16 the challenges that we're going to be facing? What
- 17 are the different directions that the Commission can
- 18 take? And in giving those different directions,
- 19 where will it potentially impede and unnecessarily
- 20 impede the future adoption of this technology, and
- 21 where is it necessary in order to provide the maximum
- 22 protection for customers going forward.

- 1 MS. MADELON KUCHERA: Good afternoon. My name
- 2 is Madelon Kuchera, I'm with Blue Star energy
- 3 services. Certainly we want to thank the Commission
- 4 for hosting this and the steps that the Commission
- 5 has taken so far we think are absolutely excellent
- 6 steps to mainly the utilities in terms of their
- 7 assessments like they provided a wealth of
- 8 information that we can start to evaluate this and
- 9 Blue Star wants to participate as a competitive ARES
- 10 as well.
- I mean I think the questions asked
- were very good beginning questions and we look
- 13 forward to participating and to answering it. We
- 14 think the more the Commission lays out what their
- objectives are, what they really want to accomplish,
- 16 I think that will guide all of us in trying to answer
- 17 those questions. But we certainly think that this
- has been an excellent first step and with that we're
- 19 very hopeful that Illinois will be a leader in this
- 20 area. And I think that parties working together can
- 21 come up with some -- we may not always agree on it,
- 22 but I think that the more the questions are laid out,

- 1 we understand what the objectives are trying to be
- 2 met.
- 3 We probably will be able to at least
- 4 resolve a very big number of questions and issues and
- 5 from Blue Star's perspective, one of our biggest
- 6 hopes is -- I mean, clearly there is a balancing act
- 7 the Commission is going to have to do, but we hope
- 8 that competition is something that's definitely in
- 9 the forefront. There's parties even probably not in
- 10 this room even companies we're not even thinking
- 11 about yet that could bring all kinds of new
- 12 opportunities to the market that we're not thinking
- 13 about but the -- if we err on the side of competition
- 14 but also trying to balance any particular areas where
- 15 the Commission thinks that regulation is needed, that
- 16 certainly is something that we would be advocating.
- 17 But we very much thank the Commission for hosting
- 18 this and look forward to participating.
- 19 MS. JENNIFER HINMAN: My name is Jennifer
- 20 Hinman from the Commission Staff. I would like to
- 21 thank the Commission for starting this initiative,
- 22 it's a very timely topic. Also I would like to note

- 1 that views expressed here today should not be
- 2 indicative of any action the Commission Staff might
- 3 make in impending or future proceedings before the
- 4 Commission.
- 5 COMMISSIONER O'CONNELL-DIAZ: I think our
- 6 bought was to kind of take some questions from the
- 7 commissioners to the panelists and it's based on what
- 8 has been filed and kind of just to get the ball
- 9 rolling with regard to the discussion.
- 10 ACTING CHAIRMAN SCOTT: So that California
- 11 Commission has declared that the public charging
- 12 stations are not utilities and therefore free of most
- 13 regulation. So is that the path that we should take
- 14 and why or why not? I think I'll start the
- 15 discussion there and anybody -- you want to go in the
- 16 same order we went in before.
- 17 MR. SCOTT WISEMAN: Sometimes it's difficult
- 18 for us to say in the Midwest, but I think the
- 19 California folks got this one right.
- 20 COMMISSIONER O'CONNELL-DIAZ: I want to just
- 21 say something. I have a good friend in California
- 22 and when I was in law school and I would like go get

- 1 some big legal research project and he would go, I
- 2 found the right case. And I remember going to one of
- 3 these professors and I had this great case and it was
- 4 right on point and he looked and said, But it's in
- 5 California.
- 6 MR. SCOTT WISEMAN: Well, I think that the
- 7 conclusion that seems like that they came to was
- 8 that -- and it really melds well with what we're
- 9 trying to do here in Illinois and that's creating a
- 10 competitive environment for folks to provide more of
- 11 these services out there. One of the things that we
- 12 have and I'm not nearly familiar as California rules
- 13 as I am with Illinois rules, but we've got our IDC
- 14 rules that we have to be cognizant of here in
- 15 Illinois. So that's another thing that sort of
- 16 drives the thinking behind how this market is going
- 17 to developed.
- 18 COMMISSIONER O'CONNELL-DIAZ: And as you see,
- 19 those IDC rules you my there has to be tweaks made
- 20 based on the kind of openness that you're suggesting?
- MR. SCOTT WISEMAN: I think they're provisions
- 22 within the rules to get waivers and things like that

- 1 if it's necessary to do that and then of course
- 2 embedded in that waiver process is the due process
- 3 and the diligence that the Commission would have to
- 4 do to create that environment that we want to have,
- 5 and that is a competitive one.
- 6 MR. ROSS HEMPHILL: Commonwealth Edison would
- 7 agree with Ameren regarding that in terms of
- 8 California getting it right and probably the thing
- 9 that is going to be the trickiest issue to deal with
- 10 are the IDC rules. Certainly waivers can be
- 11 requested and perhaps granted to allow us to do
- 12 certain things that we otherwise would not be able to
- 13 do given the public interest, but the IDC rules is
- 14 something that we're going to take a serious look at.
- 15 Consistent with what I said earlier,
- 16 is you have to take a look at also if charging
- 17 stations were declared to be a public utility, there
- 18 are a lots of different directions that the
- 19 Commission would have to go in terms of determining
- 20 just what regulations would apply -- standards and
- 21 regulations would apply to those charging stations
- 22 and I believe that that could actually slow the

- 1 process if, in deed, what you're trying to do is
- 2 while still maintaining a protection of the public
- 3 interest not impede the growth of the technology.
- 4 ACTING CHAIRMAN SCOTT: Is there something --
- 5 if I can follow up -- is there something short of
- 6 declaring it to be a public utility and providing
- 7 some other different kind of regulatory structure
- 8 that makes sense?
- 9 MR. MIKE McMAHAN: We do think that probably
- 10 some form of regulation in the area of making sure
- 11 that these are safe, safely installed and then there
- is some complexities associated with how you price
- 13 the charging station to the consumer. So the price
- 14 of the electricity provided to the charging stations
- is one thing, that would be governed by rate. Then
- 16 what does the owner of the charging station charge
- 17 the person who is using that service? And the
- 18 complexity is that you're really selling two
- 19 different items. You are selling the charge and you
- 20 are selling the parking lot.
- Now some places the parking spot will
- 22 be free. If you're out in the suburbs in a big Home

- 1 Depot lot or something like that that doesn't charge
- 2 for parking spaces. But if you're in downtown
- 3 Chicago and you have an electric vehicle, you pull
- 4 into a space reserved for electric vehicles, a person
- only needs a two-hour charge, but they're there for
- 6 ten hours. So how do you handle that? There's some
- 7 discussion that these almost have to turn in to be
- 8 valeted services.
- 9 So if you have a charging station
- 10 inside of Chicago with a parking spot, a person pulls
- in, they need a two hour charge, the valet charges it
- 12 and then moves the vehicle out to a different parking
- 13 space then making that charging station available for
- 14 the next person who needs it. You can imagine if you
- 15 have a vehicle at a train station, for instance, and
- 16 the guy who only needs two hours of charge. He pulls
- 17 in, he leaves his vehicle there all day long. What a
- 18 great thing. I got a reserved parking place. I just
- 19 need an electric vehicle. And then you ask yourself
- 20 how long is it until you get one of those little fake
- 21 charging portables on your car so I can get the
- 22 parking spot.

- 1 So there's two services that get sold
- 2 here, the parking spot and there's the electric
- 3 change and both of those have to be addressed.
- 4 COMMISSIONER ELLIOTT: You mentioned location
- 5 and it sounds to be me this is a case of franchise
- 6 issues. We've got some first in the field locational
- 7 issues. If you get the spot in the corner where all
- 8 the traffic is, you've got some issues and there's
- 9 value to that. How is that all going to be handled
- 10 in your estimation? What are the franchise
- 11 agreements and who gets the location and who handles
- 12 the assignment of those? Is it the cities? How does
- 13 that work in your estimation?
- 14 COMMISSIONER FORD: Chicago would be the City.
- 15 You know that.
- 16 MR. MICHAEL McMAHAN: I don't know.
- 17 MR. ROSS HEMPHILL: Those are good questions
- 18 and I think later we're going to talk about the best
- 19 way to address this in terms of discussing these
- 20 issues. Commonwealth Edison doesn't have all the
- 21 answers. There are a lot of questions and we're
- 22 very, very interested in pursuing discussions with

- 1 all parties to try to grapple with this.
- 2 COMMISSIONER FORD: But wasn't there a meeting
- 3 with the mayor and Commonwealth Edison along the
- 4 lines that the City would do those kinds of things,
- 5 the City of Chicago would be responsible? And just
- 6 to follow up to my question, even though the
- 7 utilities were very optimistic about being able to
- 8 handle the load, I'm worried -- my concern is what's
- 9 going to happen when you install those charging
- 10 stations in the homes and businesses around the
- 11 community, how are those prices going to affect the
- 12 surrounding areas?
- 13 MR. MICHAEL McMAHAN: Well, there's two levels
- 14 of charging. So every electric vehicle will come
- with a 120-volt charging core. You just plug that
- 16 into the outlet in your house. We have no concerns
- 17 over that. That's nothing but a different appliance
- 18 that gets plugged into the house.
- 19 COMMISSIONER FORD: Is it the same voltage as
- 20 the air conditioner?
- 21 MR. MICHAEL McMAHAN: Anything you plug into an
- 22 open receptacle in your house is less voltage than,

- 1 for instance your dryer. However, if you choose as a
- 2 consumer to have the shorter charge associated with a
- 3 200 volt charging station which is about half, that's
- 4 the equivalent of adding a 50 gallon hot water heater
- 5 to your house, an electric water heater. It's
- 6 substantial. In some cases it can be equivalent to
- 7 the load on the house. We do have a concern over
- 8 that.
- 9 We have said in our response to the
- 10 ICC questions that we're not so concerned with the
- 11 cars. We don't need to be notified when somebody
- 12 purchases an electric vehicle because the car can
- 13 travel, obviously. What we care about is where the
- 14 charging station is, the 240 volt charging station.
- 15 That's why in our response we requested -- and we're
- 16 not sure what form it will take whether it's
- 17 permanent or some other form of notification, but we
- 18 want to know when that 240 volt charging station goes
- in and where it goes in. We want to know in advance
- 20 so we can check the circuit loads and make sure that
- 21 it's able to handle the loads.
- One of the features that all the

- 1 studies indicate is that electric vehicles will be
- 2 adopted in clusters. This is keep up with the
- 3 Joneses. If the person across the street buys an
- 4 electric vehicle, chances are somebody else on that
- 5 street may too. So when you add two electric
- 6 vehicles on a 240 volt charging station, then you can
- 7 get into pocket issues with you're loading on the
- 8 circuit. That's why we want to know where these go.
- 9 As far as the cost goes, it would be just like any
- 10 other new capacity or business, so that gets
- 11 socialized. So if I have to upgrade a transformer
- 12 that's no different than somebody building one more
- 13 house on a street that requires an upgrade in the
- 14 capacity.
- 15 ACTING COMMISSIONER COLGAN: To this issue of
- 16 the public charging stations and whether or not they
- should be considered a public utility, I know that
- others want to weigh in on this too; but I think what
- 19 I heard you say is that the public charging station,
- 20 there is a line between the distribution of the
- 21 electricity to the charging station. Once it's at
- the charging station and is being distributed out,

- 1 it's outside the regulatory framework of a public
- 2 utility and it's into the competitive market? Is
- 3 that the model that I hear you talking about?
- 4 MR. ROSS HEMPHILL: Yes, that's correct.
- 5 MR. MICHAEL McMAHAN: Others may want to
- 6 comment.
- 7 MR. SCOTT WISEMAN: You've got it exactly
- 8 right, Commissioner.
- 9 COMMISSIONER ELLIOTT: If I can piggyback on
- 10 that clustering issue real quick, and I know it's not
- 11 going to happen in my neighborhood, but if two people
- 12 live next door to each other both by Teslas, which
- 13 are 19 KW, this is not a 50-gallon water heater.
- 14 Okay? And if they're both on Level 2 charging, I
- 15 take it from your perspective that everyone should
- 16 pay for that upgrade, that it should just be
- 17 socialized to the entire distribution grid?
- 18 MR. MICHAEL McMAHAN: I'm not taking a position
- 19 that everyone should or not. This is under our
- 20 current -- our current process is you would treat
- 21 that no different than any other new business
- 22 addition. So if somebody puts an addition on the

- 1 side of their house and that requires a new
- 2 air-conditioning unit, that goes into capacity
- 3 planning. Can the circuit handle the load? It would
- 4 be no different than that.
- 5 COMMISSIONER O'CONNELL-DIAZ: I think what
- 6 you're getting to is, is it standard service or
- 7 nonstandard service? In your example I think you're
- 8 suggesting that this is not standard service,
- 9 therefore the cost causer should fork over the cash.
- 10 COMMISSIONER ELLIOTT: Well, I think it
- 11 certainly should be in the realm of debate and
- 12 certainly not foregone.
- 13 MR. ROSS HEMPHILL: Yeah, Commissioner, there's
- 14 definitely allocation issues that we're going to have
- to grapple with in terms of paying for the costs that
- 16 are incurred by this new load that's going on the
- 17 system.
- 18 COMMISSIONER ELLIOTT: And I think it's
- 19 important to establish those issues immediately and
- 20 not say that because there's low penetration levels
- 21 at the beginning that we need not concern ourselves
- 22 with those at the start.

- 1 MR. ROSS HEMPHILL: Yeah, and just to clarify,
- 2 there's two different perspectives in terms of
- 3 customer protections as I mentioned earlier. There's
- 4 a technical consideration and that's where
- 5 Mr. McMahan is very concerned about having some
- 6 problems on the system in terms of specific types of
- 7 load. And then there's the other questions in terms
- 8 of who pays.
- 9 COMMISSIONER FORD: And since we're talking
- 10 about California, are we looking at the best
- 11 practices from there? Are their costs socialized?
- 12 Or how are they treating this in terms of two people
- 13 buying Tesla's next door to each other and the other
- 14 neighbors are bearing the same cost? Does anyone
- 15 know what they're doing?
- 16 COMMISSIONER ELLIOTT: They're having
- 17 transformer problems.
- 18 COMMISSIONER FORD: We know. So I think that
- 19 we need to benchmark and use best practices on these
- 20 people who we say are certainly doing it right.
- 21 MR. SCOTT WISEMAN: That's exactly the reason.
- 22 I know these Jennifers here are kind of anxious to

- 1 comment. I think you've got another question down
- the line here about what the Commission's
- 3 Collaborative can be like. I think that's one of the
- 4 things that can you can check out from something like
- 5 that.
- 6 MS. JENNIFER MOORE: I guess I'm going to bring
- 7 the conservation back from a legal perspective. I
- 8 hate to take you back to law school, but I don't
- 9 necessarily disagree with a lot of the reasons
- 10 everybody is coming up with the and reasons why you
- 11 shouldn't declare a public charging station a public
- 12 utility, but you soon have to get over the hurdle,
- 13 that being, it may be all well in California what
- 14 they did; but we still have our own regulations and
- 15 law in Illinois that we have to adhere to and make
- 16 work.
- 17 The way the statute is written now
- 18 it's overly broad. You could argue -- and there's
- 19 reason to argue while you shouldn't, but you still
- 20 could argue that had a public charging station could
- 21 be considered a public utility especially since they
- 22 have the exemption for natural gas compressors in

- 1 there. So whether that could be a debate down the
- 2 line or the way that the legislation is now, it can
- 3 be considered a public utility or also an ARES as the
- 4 service is declared competitive. So it's unclear
- 5 whether or not a court in looking at how it would
- 6 interpret it. I don't know how they would come down
- 7 because there's probably a strong argument both ways.
- 8 So it should be a consideration that maybe it would
- 9 be stronger and easier to proceed if you have a
- 10 legislative change today --
- 11 COMMISSIONER O'CONNELL-DIAZ: So what I'm
- 12 hearing you say and I think I'm seeing a lot of heads
- 13 bounce around the room going like this is that we
- 14 need to -- in our initiative, in our process we need
- 15 to have a working group that looks at the legislation
- 16 as it currently stands in our state. How it fits
- 17 into this new way that we're going to be using it and
- if changes are necessary, what those changes should
- 19 be. Incorporating in that the notion of not light
- 20 regulation but, you wouldn't want to get in the way
- of the ball moving forward, but also we want to be
- 22 true to the way that our regulation is structured in

- 1 our state.
- 2 So I think that that would be
- 3 something that instructively we would take and that
- 4 would be on the table and certainly we don't have the
- 5 answers today, but our fine legal minds out there
- 6 that will be working on this will be coming up with
- 7 that for us. So that's a great suggestion.
- 8 MS. JENNIFER HINMAN: I would note that the
- 9 California decision has been challenged and is
- 10 currently under review. There are too many reasons
- 11 for this challenge that would be important to
- 12 consider here. The first one, without authority of
- 13 the electric vehicle service providers, the state
- 14 could not achieve it's environmental goals because it
- would have no way to discourage daytime charging
- 16 since it wouldn't regulate the charging rate. That
- 17 means you now have implications to contribute to peak
- 18 load.
- The other one which is pretty relevant
- 20 to what Jennifer was saying, the legislature would
- 21 have granted specific exemption to electric people
- 22 service providers in the statute defining a public

- 1 utility if it wanted them to not be regulated and
- 2 this was the case for natural gas refueling stations
- 3 in the 1990s. So the definition of public utility is
- 4 kind of broad and similar to the instances in
- 5 illinois as it is in California. But it doesn't seem
- 6 like they would be classified as ARES or an electric
- 7 utility as pointed out by ComEd because of their
- 8 definition of a retail customer.
- 9 MS. MADELON KUCHERA: From Blue Star's
- 10 perspective, I think we agree certainly the
- 11 statute -- I think it's important to ask this
- 12 question now rather than later and to thoroughly
- 13 examine it. But we do think that it certainly could
- 14 be read that it is competitive services and from a
- 15 policy perspective we believe there is strong reasons
- 16 to lean that way.
- 17 But as to what Jennifer said,
- 18 certainly you could read it -- I mean, there's
- 19 opportunities to read it that way. So I think it is
- 20 important we examine this because we don't want any
- of us to get down the road and later say you don't
- 22 have the authority. So the more we thoroughly

- 1 examine it -- we just did a quick first blush looking
- 2 at it and certainly thought that there was lots of
- 3 opportunities to read it as competitive and actually
- 4 agree with most of the panelists that have been said,
- 5 but to say that's a final answer on it, we certainly
- 6 wouldn't do that.
- 7 ACTING COMMISSIONER COLGAN: Well, I think the
- 8 way that -- and thank you for the challenges from
- 9 California. The first one that you mentioned was it
- 10 wouldn't have -- the State wouldn't have a way to
- 11 enforce the environmental controls that they were
- 12 supposed to be putting in place because people may be
- 13 charging right in the peak of the day. But I'm
- 14 thinking that if that were on the competitive side,
- 15 then the price at the charging station, if it were a
- 16 realtime price, then that would make it a way to have
- 17 some control over that at least an economic sense
- 18 because the price of the charging in the middle of
- 19 the afternoon in July is going to be a lot of money
- 20 and people would probably avoid that unless they had
- 21 a situation where they had to get a charge. So that
- 22 would be one way -- if I was looking at it that it's

- on the competitive side that that would be a way to
- 2 look a that.
- 3 MS. JENNIFER HINMAN: Some of the competitive
- 4 charging station service providers, for example, in
- 5 Texas, like the type of innovative rate structures
- 6 that they're coming up with is just a flat rate. So
- 7 you pay like \$90 a month and you can charge as much
- 8 as you want at home or around town at the charging
- 9 stations and so, there is no incentive. But
- 10 generally most staff thinks that from a policy
- 11 perspective if you want a competitive market to
- 12 develop, that would be a reason not to regulate them.
- 13 COMMISSIONER O'CONNELL-DIAZ: Say that one
- 14 again. There ought to be a reason to not regulate
- 15 them?
- 16 MS. JENNIFER HINMAN: No, from a policy
- 17 perspective like a competitive market if you want one
- 18 to develop, then you probably wouldn't want to
- 19 regulate that.
- 20 COMMISSIONER O'CONNELL-DIAZ: I couldn't hear
- 21 you. Thank you.
- 22 COMMISSIONER ELLIOTT: Madeline, are you

- 1 contemplating putting in charges stations or any of
- 2 the ARES?
- 3 MS. MADELON KUCHERA: We have not, but there
- 4 have been some ARES that have and are very actively
- 5 pursuing this. We're watching them, but that isn't
- 6 something Blue Star has considered at least at this
- 7 point, but it's something that absolutely there will
- 8 be ARES contemplating that. As well as other players
- 9 we haven't even thought of and have not typically
- 10 been participating as we know them. So there's
- 11 certainly going to be lots of players.
- 12 COMMISSIONER FORD: But isn't DCEO involved in
- 13 this one? DCEO from our own state, aren't they
- 14 involved in this with those charging stations?
- 15 COMMISSIONER ELLIOTT: There's a lot of people
- 16 involved in this in a number of different levels and
- 17 it's interesting to listen to the discussion about
- development of competitive markets when most of the
- 19 players involved in this are Governments, at least at
- this stage.
- 21 MS. MADELON KUCHERA: And I certainly would
- 22 like to say at least at this stage, but it is

- 1 something we have seriously looked into as I'm sure a
- 2 lot of other entities.
- 3 COMMISSIONER O'CONNELL-DIAZ: I think too that
- 4 the fact that California is ahead us with a
- 5 deployment of larger amount of vehicles like this we
- 6 can -- I'm not suggesting that they're making
- 7 mistakes, but we can learn by that and view that and
- 8 bring those real life experiences into our best
- 9 practices just as Commissioner Ford was noting.
- 10 So we have that advantage. We're
- 11 setting the table with this and we will look to any
- 12 examples to use or not use or modify and this is not
- 13 going to be a real simple process. It's going to
- 14 take a lot of hard work, but that's not something
- that we've ever shied away from. I think it's
- 16 obviously by the discussion and discord that we're
- 17 having today, there's so many unanswered questions
- 18 that we will be looking at in the initiative.
- 19 MR. SCOTT WISEMAN: Commissioners, I think one
- 20 of the things that you need to think about and my
- 21 suggestion would be as this Collaborative starts is
- 22 maybe have some sort of guiding principle as to what

- 1 you're trying to get at here because we can think
- 2 about a lot of things to scare people because
- 3 regulation is scary and we know that. But if we --
- 4 COMMISSIONER O'CONNELL-DIAZ: Not this
- 5 Commission.
- 6 MR. SCOTT WISEMAN: With \$4 gasoline, people
- 7 are looking for reasons to do something cheaper. And
- 8 we have a lot of tools in place now that can get the
- 9 ball rolling pretty quickly. Now we can make
- 10 enhancements and maybe that's what the collaborative
- 11 should be about. But I think maybe one of the first
- 12 things that the collaborative ought to do is to find
- some guiding principle that you're trying to get to
- 14 because I think we want to consent the rollout of
- these things at a faster pace than what the people
- 16 that are analyzing the rollout rates have realized.
- 17 COMMISSIONER ELLIOTT: I'll get to the next
- 18 question. You mentioned the issue about public
- 19 policy. You mentioned the issue again of what are we
- 20 after. I think that for most of the proponents of
- 21 this, or at least I those trying to gain efficiencies
- 22 of the existing system that we have, we'd like to see

- 1 these things utilized off peak power, to the point
- 2 that competitive providers are going to go flat rate
- 3 on a monthly charge and balance the summer costs,
- 4 over the winter lower cost. The consumers are never
- 5 going to see that. The same situation with home
- 6 charging. 90 percent of the charging is going to be
- 7 done at home for the most part and what are we going
- 8 to do about this in terms of not regulatorily stating
- 9 that you cannot charge your car at 5:00, but
- 10 providing some signal that it's in your best interest
- 11 to do that.
- 12 A lot of discussion has been about the
- 13 greenness and the benefits of this. If we're not
- doing this, then the greenness and the benefits, to
- me, seem to diminish a great deal. So what are our
- options regulatorily, commercially, competitively to
- 17 drive this so that the -- to me this is sort of
- 18 transformational. You can sub-meter the appliance
- 19 and treat it differently than an air conditioner or
- 20 anything else or you can use the mobility of this
- 21 application that transform rate design and explain to
- 22 people that every device when it demands power has a

- 1 meaning. So it can be an educational tool or it can
- 2 be another air conditioner or refrigerator stuck on
- 3 the system. So I'm interested in what we can do with
- 4 regard to providing the -- not the mandate, but the
- 5 enabling capability to take advantage of off-peak and
- 6 disadvantage off-peek in some manner. So if you can
- 7 address that, I would be interested in that.
- 8 MR. ERIC KOZAC: This is Eric Kozac with Ameren
- 9 to address that point. One of the things we have
- 10 going for us to address the green initiative is that
- 11 the prices are lower at night. So if there was a
- 12 competitive environment out there where we talked
- 13 about flat rate, this is all very new, yet there may
- 14 be another competitive service out there that says
- 15 they can get data from the vehicle. They may be able
- to get their swipe time and they say, Well, it's \$50
- 17 a month, but if you go on this Plan B it could be \$40
- 18 a month if you only charge between these times. So
- 19 there are options out there and we have do have price
- 20 on our side.
- 21 COMMISSIONER ELLIOTT: But does that require
- 22 sub-metering?

- 1 MR. ERIC KOZAC: We are not in favor of having
- 2 sub-metering because that's going to add cost to the
- 3 whole electric vehicle process. But there's
- 4 technology on the vehicles and if they have it on the
- 5 charging station as well, some do have metering on
- 6 the charging stations and most of them that I've seen
- 7 have a swipe card-type device that they're looking at
- 8 using to tell exactly what time of day they did use
- 9 the service.
- 10 COMMISSIONER ELLIOTT: That's commercially, not
- 11 at home. I'm a little confused here.
- 12 MR. ERIC KOZAC: It would be -- in some of
- 13 these areas the ICC Staff has mentioned there the
- 14 competitive services down in Texas that's what
- 15 they're looking at is putting charging stations at
- 16 home and out into the field. And to your point would
- 17 it be the same unit, I don't know that question.
- 18 Would the one at home be different than the one out
- in the field, maybe.
- 20 COMMISSIONER ELLIOTT: So you're saying that
- 21 that device at home or in the filed would be
- 22 accessing a different rate structure than what the

- 1 rest of the customers electrical usage would be? If
- 2 they're on the a flat rate, for example, by this
- 3 device you can somehow access the dynamic rate for
- 4 the electric vehicle?
- 5 MR. ERIC KOZAC: Yes. They can access that
- 6 information via the time of day of the swipe card at
- 7 home or out in the filed. And then that particular
- 8 company if they're buying the power for that, they're
- 9 grouping their power purchases, they make get 70, 80,
- 10 100, people, thousands of people on a certain rate
- 11 and using this structure, so it can be beneficial
- 12 that way.
- 13 MS. DEBBIE KUTSUNIS: I'm Debbie Kutsunis from
- 14 MidAmerican Energy Company. We are still a virtually
- integrated utility and so I just want to comment from
- 16 that perspective. In some of our other service
- 17 territories we have some end use rates and have found
- 18 some difficulties enforcing those. And I think
- 19 there's also some issues of do you create a barrier
- 20 to require the customer to separately meter his
- 21 electrical vehicle charging. So from that
- 22 perspective we think that there needs to be a lot of

- 1 flexibility in recognition that customers don't
- 2 necessarily understand the difference in pricing and
- 3 may not understand the requirement to separate
- 4 metering. So I think to your point, I think we have
- 5 concerns about any requirement for customers
- 6 separately meter or a requirement for customers to be
- 7 on a certain real time or time of use for that
- 8 particular application.
- 9 COMMISSIONER ELLIOTT: So that limits your
- 10 perspective and your ability to be able to move that
- 11 vehicle to charge off-peak?
- MS. DEBBIE KUTSUNIS: I think there could be
- 13 incentives. For example, a lot of us have the air
- 14 conditioning control. Things like that that could be
- 15 an incentive for customers to charge at an
- 16 appropriate time as opposed to something that might
- 17 appear as a barrier.
- 18 COMMISSIONER ELLIOTT: Okay.
- 19 MR. ROSS HEMPHILL: Our experience has been
- 20 that customers do respond to price. We've learned
- 21 that through our Residential Real-Time Pricing
- 22 Program. We're learning that through our AMI pilot

- 1 and that's going to be the most effective way the
- 2 provide the economic incentives for customers to
- 3 respond. And if they're going to be the type of load
- 4 that electric vehicles and PEVs are going to be put
- on the system, those are the customers that we're
- 6 going to try to incentivize in that way. So it's a
- 7 real conundrum.
- 8 Going back to the original question as
- 9 to whether or not it should be regulates or whether
- 10 it should be competitively provided because then if
- 11 you are to presume that customers go to an
- 12 alternative provider and that alternative provider
- doesn't provide those prices, two thirds of the
- 14 customer's bill is on supply. And if they're paying
- 15 a flat rate there, there isn't a lot to play with in
- 16 terms of the delivery, so how do you get there? That
- 17 is a difficult question and it goes crossways with
- 18 the answers that we were talking about in the first
- 19 question.
- In terms of whether or not
- 21 Commonwealth Edison has a position on separate
- metering, I don't know if Mike wants to add anything

- 1 to that; but our position is that it's something that
- 2 we would prefer not to do. It's an added cost to
- 3 customers which provides another impediment to this
- 4 technology moving forward.
- 5 MR. MICHAEL McMAHAN: Dr. Hemphill said it
- 6 well. We think that technically and significant
- 7 penetration levels around somewhere between 15 to
- 8 20 percent but not exactly sure where, but it's
- 9 essential to have some setting mechanisms that shifts
- 10 the load to the nighttime. And significant
- 11 penetration levels, if everybody comes home and plugs
- those EVs in at 5:00 o'clock in the afternoon, that's
- 13 going to be a problem. So we need to have some
- 14 pricing mechanism. I don't think we're settled on
- 15 what the exact rate would be or mechanism would be,
- 16 but it needs to be a pricing incentive to encourage
- 17 people to charge in the evening hours. Where the
- 18 hour is available that also helps renewables because
- 19 that's when a lot of wind blows overnight and it's
- 20 not used right now, so that would help that as well.
- 21 On the public charging stations and
- 22 the competitive environment you -- I would still say

- 1 we wanted the power from an electric utility to the
- 2 charging station to be on some sort of real-time
- 3 pricing. Now, what that competitive provider charges
- 4 his person would up to them, but that would be
- 5 reflective of what their cost is. I think that's
- 6 what you were talking about is that in that case when
- 7 you're talking about swiping in the garage like
- 8 leasing the cable box so the individual home owner
- 9 doesn't have -- owns the charging station, somebody
- 10 is renting it to them and then that swipe depends on
- 11 what their rental fee would be or charges would be
- 12 for that box. We have to make sure that at
- 13 significant penetration levels that that load gets
- 14 shifted.
- 15 COMMISSIONER ELLIOTT: But you don't feel the
- 16 urgency to deal with is now?
- 17 MR. MICHAEL McMAHAN: I think the urgency to
- deal with that is now, but I would say as an opinion
- 19 the sooner the better to start -- you have to
- 20 balance -- you want people to adopt electric
- 21 vehicles. You also want to start incenting (sic) the
- 22 right behavior. So you have balance of those two

- 1 things and the earlier the better so that people will
- 2 be meeting expectations. But technically at low
- 3 penetration levels it's not an issue. Technically
- 4 you get up around 20 percent, we think that's going
- 5 to be a problem.
- 6 COMMISSIONER ELLIOTT: It is at the end of a
- 7 five-day heat swell in the summer.
- 8 MR. MICHAEL McMAHAN: Pardon me?
- 9 COMMISSIONER ELLIOTT: Even at low levels.
- 10 MR. MICHAEL McMAHAN: On an individual feeder,
- 11 you may be right.
- 12 COMMISSIONER FORD: But doesn't the City of
- 13 City already own some charging stations?
- 14 MR. MICHAEL McMAHAN: I'll let the City of
- 15 Chicago comment on that. They're planning on it.
- 16 I'm not sure where they are.
- 17 ACTING CHAIRMAN SCOTT: Can I follow up on
- 18 something you said. The point I want to get to -- I
- 19 just realized my most recent history so forgive me
- 20 for that -- but when you mentioned about the
- 21 renewables and the aspect of that and how that plays
- in, I know you're trying to figure out how to deal

- 1 with your portfolios and how to build that up. Is
- 2 there a nice energy between these two issues and
- 3 moving people off of peak times and helping to
- 4 purchase renewables?
- 5 MR. MICHAEL McMAHAN: When you read that the
- 6 electric vehicles that support renewable energy, if
- 7 you dig into that. From my reading and my studies,
- 8 it's basically saying by shifting the load to night
- 9 where you have particularly wind power available,
- 10 wind blows overnight, you're able to absorb that.
- 11 And in the absence of some significant storage
- 12 capacity, that energy that is being produced over the
- 13 night hours is causing a problem, may even cause a
- 14 nuclear pant or coal plant to be forced to back down.
- 15 So the more load you can put on it -- and I think
- 16 Commissioner Elliott said, we have -- if you can
- 17 shift the load, we have enormous capacity for this.
- 18 So anything we can do to shift that, you reduce
- 19 mitigating those issues with large amounts of wind,
- there's going to be more coming onto the system
- overnight, the impact on the base load plants by
- 22 having something to use that power in those electric

- 1 vehicles is a perfect issue for that.
- 2 COMMISSIONER ELLIOTT: And the implications of
- 3 that are going to be on the vehicle. To me this is
- 4 an application that will allow you to explore the
- 5 full benefits of that which if you show someone a
- 6 dynamic price and they can all of a sudden twist the
- 7 dials and knobs on everything and have it automated
- 8 to program thermostats and alike. So you can do a
- 9 number of things. That's why I personally have
- 10 questions about sub-metering as well. I'd like this
- 11 to just be another appliance, but use the opportunity
- 12 explain to people what the differences are. And I'm
- 13 concerned about waiting until we have significant
- 14 penetration levels to do that.
- 15 COMMISSIONER O'CONNELL-DIAZ: Yeah, I think
- 16 that the question point of starting this at this
- 17 point even though Illinois obviously is not in the
- 18 same place as California or some of the other states
- 19 that were advantaged or disadvantaged as fate may
- 20 tell us by being an area where we're seeing heavy
- 21 deployment, I'm not talking about all of their cars,
- 22 but we need to be prepared. And so if we don't start

- 1 this today and figure out first all the questions to
- 2 ask, we're going to find ourselves up a creek without
- 3 a paddle and there would be potential deployment of
- 4 these vehicles and we will not have the rules, the
- 5 legal things that we need to do to make it square
- 6 with what we have now or create new rules that we may
- 7 need.
- 8 So it's imperative that we start this
- 9 process and have everyone in the water swimming
- 10 towards the same goal of being able to structure this
- 11 so that we do get a certain segment of the
- 12 population. Electric vehicles are not going to be
- 13 for everyone. They're going to be for a certain
- 14 segment of the population. But that, again, is I
- 15 think where we find ourselves at this point in our
- 16 country. We all need to be doing different things to
- 17 change the way that we consume energy in this
- 18 country. And if it is electric vehicles or somebody
- 19 getting on some of the various programs that are
- 20 going to be out there energy efficiency, these are
- 21 all things that -- and the overall picture will be a
- 22 better picture for us price wise and in energy

- 1 security. So it's imperative that we have these
- 2 discussions and we work through it and it will
- 3 require a lot of work from everyone.
- 4 ACTING COMMISSIONER COLGAN: I have a general
- 5 question for anybody that wants to try to answer it.
- 6 This pretty much seems like we're dealing today with
- 7 a very specific aspect of the future and energy
- 8 issues in the country with the electric vehicle, but
- 9 it fits into a larger scheme of things. It fits into
- 10 a national security picture of reducing our
- 11 dependance on foreign oil. It plays into the
- 12 bringing more renewables, intermittency, kind of
- deals with some of those issues and the greening of
- 14 our supply system, and so the electric vehicle kind
- 15 of fits in there.
- 16 And we also always talk about cost
- 17 causers and the beneficiary pays. And it's kind of a
- 18 typical American situation because we have like this
- 19 very general social platform that allows for the
- 20 advancement of individuals. So people who decide
- individually to go for the electric car, they're
- 22 going to get the benefits from that. But then

- 1 society at large is going to benefit from this also
- 2 as we get further -- I mean to begin with its going
- 3 to be minimal, but as we get into it, it's going to
- 4 be -- I mean, it's part of the big picture, isn't it
- 5 that we're going to use this to wean ourselves from
- 6 the dependance on foreign oil and the whole greening
- 7 of our generation system.
- 8 So the issue then becomes who pays.
- 9 What is the right way to allocate the costs of the
- 10 build out that we need to have to do all of this.
- 11 COMMISSIONER FORD: Just to follow up on that,
- John, everybody wants the greener and environmentally
- 13 sound society, but no one wants to pay for it.
- 14 ACTING COMMISSIONER COLGAN: Exactly.
- 15 COMMISSIONER ELLIOTT: Going back to the
- 16 question I asked, you have the two Tesla's 19 KB,
- we're all going to socialize those costs and these
- 18 guys decide to charge on peak. I mean, let's raise
- 19 the LMP -- and you extrapolate this to everybody --
- 20 let's raise everybody's cost and raise the marginal
- 21 cost of energy. That is not a benefit to society in
- 22 general or society as a whole. So this is a great

- 1 question and I would love an answer.
- 2 MR. ROSS HEMPHILL: Yes, that is probably one
- 3 of trickiest issues to deal with. Since taking the
- 4 position that I've taken with commonwealth Edison,
- 5 I've been through a number of collaborative
- 6 processes. And you make great progress in
- 7 Collaborations and workshops on many, many issues;
- 8 but the one that's the stickiest is when you get to
- 9 the question of who pays.
- 10 COMMISSIONER O'CONNELL-DIAZ: Exactly. I think
- 11 we all pay. Everybody pays for actions that if we
- don't do this we're going to pay. If we don't change
- 13 the way we consume our energy, use it, we are all
- 14 going to pay. So for us to sit here and -- I've had
- it suggested to me that we don't need any of that new
- 16 stuff. I don't have a benefit. But there are system
- 17 benefits to this. The same could be said for
- infrastructure improvement. Well, that's great.
- 19 That's fine. But if you've got pipes that are
- 20 120 years old and need to replace them it has to be
- 21 paid for. And so I think the Telsa question is kind
- 22 of like a luxury item I would think given the fact --

- what do those cars cost, \$110,000? That's not your
- 2 meat that's going to be on the street, but that is
- 3 the proper question to ask. How will we deal with
- 4 that? Is there a rate structure that should be for
- 5 that?
- 6 ACTING CHAIRMAN SCOTT: Because it goes back to
- 7 what John was saying too, the people who are using
- 8 the electric vehicles are not using gasoline,
- 9 therefore they're not part of the demand that drives
- 10 the prices up in times of lower supply. There's a
- 11 whole lot issues that are all interconnected here and
- 12 with the advent of the renewables, what will that do
- 13 in terms of what we know is coming down the line in
- 14 terms of power generation and what the costs are
- 15 there that are coming through new regulation. I
- 16 mean, there's a lot of issues developed and I think
- 17 you're right, ultimately we all I end up paying and
- 18 the question is just what makes the most sense in
- 19 terms of the allocation.
- 20 MR. ERIC KOZAC: We bring up scenarios that are
- 21 tough to solve. I don't have an answer for the Tesla
- 22 question. But when you look at the broader -- and I

- 1 think what we've seen in some of our conference calls
- 2 with our colleague in other states is that the
- 3 electric vehicles when they do roll out, most of the
- 4 people are going to be charging at night. There's a
- 5 lot of good things that are going to happen that will
- 6 fall right into place. So while we might no have
- 7 every issue solved in some these tougher questions
- 8 and these peak areas that happen, we shouldn't loose
- 9 sight of the fact that most of this is lining up
- 10 pretty well for the goals we're trying to accomplish
- and it's gets back that we don't want to do things
- 12 that maybe deter people from buying electric vehicles
- 13 versus -- there is a lot of benefits that is outweigh
- 14 that and if we have to -- I hate to say socialize the
- 15 cost for one transformer is one subdivision where two
- 16 doctors are competing for whose got the fastest
- 17 electric vehicle, but those things may happen
- 18 regardless. The overall benefit I think is going to
- 19 be there.
- 20 COMMISSIONER FORD: Where two utility
- 21 executives live.
- 22 COMMISSIONER ELLIOTT: I think if you're

- 1 Level 2 charging from 5:00 to 8:00, you're right in
- 2 the thick of that peak demand period. So unless
- 3 something has changed in the Midwest and the summer
- 4 peak is no longer those hours -- somebody can explain
- 5 that to me.
- 6 MR. MICHAEL McMAHAN: I would comment that -- I
- 7 just take a little different opinion than my
- 8 colleague over here. We think that most people after
- 9 driving their electric vehicle to work are coming
- 10 home, they're going to get out of the car and they're
- 11 going to plug it in. And there's a study that kind
- of indicates that as well. So that's why we're so
- 13 concerned about the load shifting. That's just a
- 14 personal opinion here. I would also add that if
- 15 you're going to go to -- from a regulation standpoint
- 16 if you said, Well the cost-causer has to pay for
- 17 this. I think that would make -- and so you say you
- 18 tell a person, Okay. You permit 240 volt charging
- 19 station utility assessed that they have to upgrade
- 20 the transformer, you have to pay for that. I think
- 21 you're going to make that vehicle costly.
- 22 COMMISSIONER O'CONNELL-DIAZ: One more comment

- 1 and then we'll break. As we can see there's like so
- 2 many questions that we don't have the answers to, so
- 3 right now we're going to take a ten-minute break.
- 4 I'd like to thank our first group of panelists. I
- 5 thank you for your discussions and we've got a lot of
- 6 work to do. So we'll take a ten-minute break and
- 7 we'll come back at 10 to 3:00 and we'll have our next
- 8 panel. Thank you.
- 9 (Whereupon, a recess was taken.)
- 10 COMMISSIONER O'CONNELL-DIAZ: Thank you
- 11 everybody. We now have our second panel who have
- joined us to continue the robust discussion we
- 13 started and I think we'll have even more questions
- 14 based upon the presentations that will be in the
- 15 second part. First we have -- I'm just going to run
- 16 down the line -- the City of Chicago Josh Milberg,
- 17 CNT/I-GO Anne McKibben and Jonathan Goldman, CUB
- 18 represented by Chris Thomas, ELPC, Madeleine Weil,
- 19 ICEA Sharon Hillman, and NRDC Becky Stanfield. Am I
- 20 missing anybody?
- 21 (No response.)
- 22 Great. Opening remarks from anybody

- or should we just get right down to questions? City
- of Chicago, let's go with you.
- 3 MR. JOSH MILBERG: Good afternoon. My name is
- 4 Josh Milberg. I'm the First Deputy Commissioner of
- 5 the Chicago Department of Environment and I want to
- 6 thank all of you Commissioners for allowing us to
- 7 come in and discuss this very importantly question.
- 8 I thought that today's conversation kicked off very
- 9 well. It was very exciting to see Commissioner
- 10 Malec-McKenna and (Check) of our Chicago Electric
- 11 Vehicle Project.
- We believe that this is a unique
- opportunity to really get involved in the development
- of a marketplace and it's great because it's going to
- 15 be a ramp up. It's going to allow us to learn as we
- 16 see a slow introduction of these vehicles, but it's
- 17 very important that we start to build the
- infrastructure necessary and the policy frameworks
- 19 necessary to make sure that this can grow into a
- 20 robust market.
- 21 The City of Chicago very much believes
- in electric vehicles and e-mobility more broadly.

- 1 It's a core concept of the Chicago Climate Action
- 2 Plan, but we also noted extraordinary importance to
- 3 make sure that we're meeting the needs of our
- 4 customers and the residents and businesses more
- 5 generally as we build out the infrastructure.
- I also think it's important that we
- 7 think about differentiation between publicly
- 8 available infrastructure, which is the project that
- 9 the Commissioner Malec-McKenna and Governor Quinn
- 10 kicked off and that's available in people's parking
- 11 lots and garages. From the City of Chicago's
- 12 perspective, we look at this from a portfolio
- 13 perspective looking at this various technologies that
- 14 are available and looking for the best way to
- 15 employee the technologies to meet the needs of the
- 16 customers.
- We think that this is extraordinarily
- important to move down a facilitative approach to
- 19 determine really what are those key questions, we
- 20 heard are number of them and I'm sure we will hear
- 21 more during the next hour, but we feel like it will
- 22 be extremely important to have that collaborative

- 1 spirit to continue forward. The City of Chicago has
- 2 convened the Chicago Electric Vehicle Consortium to
- 3 help us to think through our strategy on mobility
- 4 from a regional perspective and from a city
- 5 prospective. And we feel like that can be
- 6 extraordinarily valuable as we move forward. We feel
- 7 like a similar approach here would make a lot of
- 8 sense. I look forward to answering any questions.
- 9 COMMISSIONER O'CONNELL-DIAZ: Mr. Thomas.
- 10 MR. CHRIS THOMAS: Thank you, commissioners for
- inviting us to speak today. We've been working very
- 12 closely with the City, Governor's office, The
- 13 Illinois Science and Technology Illinois Science and
- 14 Technology Coalition, DCO, and also internationally
- 15 through the Korean smart grid collaboration trying to
- 16 understand just using the impact not only in
- 17 Illinois, but everywhere. I can tell you will pretty
- 18 safely that these are new challenges for everyone,
- 19 everyone globally. No one has figured it out. The
- 20 questions that you're asking are the right questions
- 21 and they're not answered yet and I think that's okay.
- 22 I think, in fact, you can expect to answer all of

- 1 them right up front. In addition to the way that
- 2 Josh was bifurcating the issues, we need to think
- 3 about the short-term issues and the long-term issues
- 4 here.
- 5 The short-term issues are kind of how
- 6 do we manage the customer experience for those first
- 7 1000, 5000, 10,000 cars that are going to be on the
- 8 road in Chicago and how do we create a process to
- 9 feed back our learnings into the bigger solution for
- 10 the system. I think a lot of the ideas we've talked
- 11 about today or talked about earlier are not defined
- 12 yet. We've still got a lot of unanswered guestions
- and I think we have to make sure we're focusing first
- on that initial experience and secondly on how we use
- 15 the information we gather there to improve the
- 16 system. I'm happy to answer any question as we go
- 17 forward.
- MS. BECKY STANFIELD: Hi, I'm Becky Stanfield
- 19 with the National Resources Defense Council. I also
- 20 want to thank you for initiating this process. What
- 21 I would like to urge at the onset is that whatever
- 22 happens next in this process be guided by a set of

- 1 specific rules that the Commission would adopt. And
- 2 our suggestion is that those goals are to identify
- 3 and eliminate barriers as to why PEV option, to
- 4 maximize the environmental benefit of PEVs and to
- 5 minimize adverse impacts.
- 6 And in addition to having the goals
- 7 laid out for the next phase of the process, we hope
- 8 they would start with recognition that service
- 9 planning and load management would be essential to
- 10 achieving this goal. So that at a minimum utilities
- 11 should be notified as to the location and nature of
- 12 planned charging stations and infrastructure so they
- 13 can facilitate service planning, streamline
- 14 installation, and prevent service disruption. That
- 15 effective load management will be essential and will
- 16 require smart charging, so in other words, charging
- 17 that can respond to pricing goals, and that these
- 18 capabilities need to exist regardless of whether the
- 19 delivery is in the home or the workplace for public
- 20 charging.
- 21 So with that overview, I would just
- 22 say a couple of initial things. We agree with others

- 1 who have said that California got it mostly right
- which is not to say there's no regulation, but to say
- 3 that limited regulation of charging stations to
- 4 ensure reliability and the same environmental
- 5 performance that is required of other wholesale
- 6 electricity providers. We think that the current
- 7 regulatory paradigm is sufficient because it fails to
- 8 return the value of additional revenue from PEV
- 9 stations to customers. So to the extent that there's
- 10 a lot of new load that will result in a higher
- 11 revenue recovery and that absent something like the
- 12 coupling, customers wouldn't get the benefit of that.
- 13 So that's one way to make sure the customers get the
- 14 benefits of changing that load shape.
- 15 COMMISSIONER O'CONNELL-DIAZ: So it's your
- 16 position that the coupling is a good methodology
- 17 achieve returns to customers?
- MS. BECKY STANFIELD: That is definitely what
- 19 we believe.
- 20 COMMISSIONER ELLIOTT: The utility doesn't get
- 21 any revenues from the supply side. Im a little
- 22 puzzled by that.

- 1 MS. BECKY STANFIELD: It's the recovery of the
- 2 fixed charge revenue that would be resulting from the
- 3 higher level the sales.
- 4 COMMISSIONER FORD: I guess I would add --
- 5 COMMISSIONER ELLIOTT: Assuming that they are
- 6 recovering fixes costs on variable rates.
- 7 MS. BECKY STANFIELD: Correct.
- 8 COMMISSIONER FORD: I was going to simply add
- 9 the City of Chicago, what are we going to do with
- 10 their revenues? They're going to go into the City to
- offset some of the cost of doing these stations?
- 12 COMMISSIONER ELLIOTT: What price are you going
- 13 to charge?
- 14 MS. BECKY STANFIELD: One more point and I
- 15 know -- I don't want to stand in the way of others
- 16 getting in here, but the third thing is just that
- 17 generally PEV loads should be treated like other load
- 18 for the purposed of cost recovery in our view.
- 19 MR. JOSH MILBERG: So you asked a question
- 20 around pricing. Where are these revenues going? The
- 21 project that was described by Commissioner
- 22 Malec-McKenna and Governor Quinn was for a grant that

- 1 this we provided to our competitive process to
- 2 implementer and so that implementer is both bringing
- 3 significant dollars of their own to install this
- 4 project and it is responsible for building a business
- 5 around to provide upfront capital in a grant to allow
- 6 them to enter this market and start to build a
- 7 marketplace.
- 8 COMMISSIONER FORD: So it's going to private
- 9 funds after this is done?
- 10 MR. JOSH MILBERG: In short, whatever is
- 11 charged by the company, 350 Green, will go to 350
- 12 Green.
- 13 COMMISSIONER O'CONNELL-DIAZ: Ms. Hillman.
- 14 MS. SHARON HILLMAN: My name is Sharon Hillman
- 15 and I'm the founder and executive vice president of
- 16 MC2, an alternative retail electric supplier. I'm
- 17 here today on behalf of ICEA, the Illinois
- 18 Competitive Energy Association who's submitted
- 19 comment and I guess I would say I probably represent
- 20 along with Blue Star private industry and we
- 21 appreciate this opportunity to get involved in the
- 22 beginning of the process. And along those line we

- 1 had an invitation to bring in a visual aid when we
- 2 got the invitation.
- 3 MC2 has been working with one of the
- 4 local distributors of public charging stations and
- 5 that is a demo of a Level 1 charger. As you can see
- 6 it's got a screen. You can open the gate, put in an
- 7 RFID card and it has the ability to pricing. And
- 8 I'll also ask a trivia question today: How many
- 9 charging stations do you think are already in place
- in the Chicagoland area today? 150? More than 75?
- 11 COMMISSIONER FORD: More than 75.
- 12 MS. SHARON HILLMAN: There are almost 100 in
- 13 the Chicagoland area that have gone in under private
- 14 industry not part of Government projects. Our
- 15 problem in Chicago for all of those who want to see
- 16 those vehicle grow is that we don't have any cars.
- 17 No entity can really cover that and we can go into a
- 18 lot of reasons, but I think if we talk about this
- 19 initiative that ought to be part of agenda which is
- 20 how do we remedy that issue and what's the right pace
- of development given that this has not been a state
- 22 that has been targeted by the industry for early

- deployment and even really probably midlevel
- 2 deployment and that really gets to the issue of the
- 3 balance around some of the things I know that were
- 4 mentioned in the first panel simple rates versus more
- 5 complex rates.
- I think RTP is a great option which
- 7 showed up in ICEA comments, but a lot of folks who
- 8 are experts in early adoption feel that things
- 9 shouldn't be too complex up front. So I would agree
- 10 with Mr. McMahan's comments and Mr. Ross' comments
- 11 about balance. And I think the other thing just
- 12 really quickly from the first panel to talk about
- 13 metering ans sub-metering, there's a lot of pilots
- 14 going on right now. The more advanced electric
- vehicles released and developed, they have metering
- 16 in the car. And there are pilots going on now in the
- 17 State of Indiana to determine if whether or not that
- 18 measurement level that on the car is enough and we
- 19 don't need to put anymore infrastructure in terms of
- 20 metering. So lots to learn and lots to do. Thank
- 21 you.
- 22 COMMISSIONER O'CONNELL-DIAZ: Thank you for

- 1 bringing the station. A picture is worth a thousand
- words, but the real thing is worth 10,000 words.
- 3 MS. ANNE McKIBBEN: Hi, I'm Anne McKibben. I'm
- 4 policy direct at CNT Energy, a division of the Center
- 5 for Neighborhood Technology. And first off, I'd like
- 6 to thank you for the invitation today. We're
- 7 particularly interested in load shape and the effect
- 8 that EVs will have on load shape in Illinois and also
- 9 in customer education. Our experience administrating
- 10 includes state residential real-time pricing program
- 11 have given us a good bit of insight on how to educate
- 12 customers about when they should plug tough.
- 13 Electric cars would be one of those things. That
- 14 sort of customer education is very important. So we
- very much appreciate the ICC taking a proactive
- 16 initiative on electric vehicles and it will be very
- 17 productive. Thank you.
- 18 MR. JONATHAN GOLDMAN: Hi, Jonathan Goldman
- 19 with I-GO car sharing. I-GO is a nonprofit
- 20 organization started almost ten years ago for the
- 21 Center for Neighborhood for technology. We currently
- 22 serve about 15,000 members in the Chicago region.

- 1 Thank you for putting this process together and
- 2 allowing us to come here today and comment.
- 3 COMMISSIONER O'CONNELL-DIAZ: And also Jonathan
- 4 also volunteered to bring in charging stations. So
- 5 thank you very much for stepping up to the plate and
- 6 helping us out.
- 7 MR. JONATHAN GOLDMAN: I-GO is partners with
- 8 the City of Chicago, State of Illinois, and a number
- 9 of other partners on an electric vehicle project that
- 10 we're going to be rolling out in the coming months.
- 11 We will be receiving through the City's efforts 36
- 12 charging stations that we are going to place at 18
- 13 solar canopies that we're going to be building in the
- 14 Chicago region funding through DCO and private
- foundation dollars that we've raised and we'll be
- 16 paring them obviously with 36 electric vehicles yet
- 17 to be determined as that marketplace develops a
- 18 little bit more.
- We've spent a considerable amount of
- 20 time thinking about the regulatory scheme or more
- 21 properly the lack thereof in Illinois or for EVs and
- 22 EV charging and have a lot of idea both as it

- 1 pertains to our project in particular, but also to EV
- 2 usage in general. An sitting in the audience
- 3 listening to the earlier panel, we heard a lot about
- 4 the challenges and difficulties it makes. I'd like
- 5 it talk to you a little bit more as we get into it
- 6 about the opportunities that I think exist
- 7 particularly around pairing our renewable distributed
- 8 generation with the EV charging as we're going to be
- 9 doing and also as a number of people have noted,
- there's going to be a strong propensity to do EV
- 11 charging at night and the ability to provide
- 12 incentives through time of day and real-time pricing,
- 13 you know, should not be looked at as a societal cost,
- 14 but much more a societal benefit to all the
- 15 consumers, the EV owners, but also to the utility
- 16 companies as we engage and really beginning to
- 17 reshape the load profile and I forget who it was that
- 18 commented being a wash and power in the nighttime
- 19 hours, there actually is a potential for huge
- 20 financial savings to the utilities themselves. So
- 21 I'll pause here as we get into questions I'd like to
- 22 talk about that much more.

- 1 MS. MADELEINE WEIL: I'm Madeleine Weil. I'm
- 2 the policy advocate with the Environmental Law and
- 3 Policy Center. I guess I'm the last panelist, so
- 4 thank you very much for your organizing this
- 5 initiative and I'm very glad to participate. I'll
- 6 keep this very brief because actually I happen to
- 7 agree with a lot of things that my fellow panelists
- 8 have already laid out. I'll just say that I think
- 9 Becky had it right in framing the overall objectives
- 10 here as number one making sure that we're reducing
- 11 barriers to consumers about EVs as much as possible.
- 12 And number two, is that as
- infrastructure and policy, regulatory scheme,
- 14 consumer behavior develops, or optimizing the
- 15 environmental benefit and the economic benefits that
- 16 are associated with the EVs. Obviously there's been
- 17 a lot of discussion about trying to do that through
- 18 shifting load to nighttime and we think that there
- 19 are very significant benefits doing that. The other
- 20 opportunity we see is in trying to offset some of the
- 21 peak hour charging that will inevitably happen with
- solar there's a really nice match up with peak hour

- 1 and solar production there and we think that that's
- 2 another good opportunity.
- 3 Just to jump off the something Chris
- 4 said, there will be a lot of things learned in this
- 5 process and in similar processes going on throughout
- 6 the country and around the world and we should have
- 7 the flexibility over the next couple of years to see
- 8 what the best practices are as they develop. On the
- 9 other hand, there are some things that we all know
- 10 once the infrastructure is in the ground, once
- 11 consumer patterns are established, they're very
- 12 difficult to change. So there are a couple things
- 13 that we do need to deal with on the front end.
- 14 We think that shaping consumer
- behavior, shaping the infrastructure to benefit the
- 16 environment and the economy is the big frame for what
- 17 we need to be looking at here. So thank you very
- 18 much and I'm excited to answer questions. Thank you.
- 19 COMMISSIONER ELLIOTT: Just to go to Becky, it
- 20 sounds simple, but everything you said was in direct
- 21 conflict with everything else you said. In terms of
- 22 making is simple -- we can make it simple. We don't

- 1 have to do anything. Some of the other flat rates
- 2 until someone plugs in a car. That is not a barrier
- 3 to any entity. We're not doing anything. In order
- 4 to maximize the environmental and economic benefit of
- 5 shifting that to off-peak, now we're going to start
- 6 talking about putting things in there that people
- 7 aren't necessarily going to like which may be RTP as
- 8 Sharon mentioned.
- 9 I'd like to think that the early
- 10 adopters are going to be the easiest ones to adopt to
- 11 these changes. I think it's going to be the ones
- that don't have a clue about what's going on with
- 13 their automobile and the environment or anything else
- 14 with regard to electricity that's going to be the
- 15 toughest. So I think it's actually going to be
- 16 easiest if we do this upfront.
- 17 MS. BECKY STANFIELD: I don't know if you
- 18 understood me to say something that would oppose
- 19 actually getting into those.
- 20 COMMISSIONER ELLIOTT: No, I'm just trying to
- 21 point out that limiting barriers to entry and then
- 22 trying to do these other things that are going to

- 1 create change. There is going to necessitate change
- 2 and it's going to be a change that isn't going to be
- 3 well accepted necessarily.
- 4 MS. BECKY STANFIELD: We've talked in the past
- 5 about the short term versus the long term trying to
- 6 do things that create the market and reduce the
- 7 barriers in the short term while wrestling with the
- 8 similar issues of how we make it all optimized over
- 9 the long term. I still believe that we can and
- 10 should be kind of thinking of it in that way. What
- 11 can we do in the short term to make sure we are
- 12 maximizing deployment of PEVs and then what do we
- 13 need to be doing to be ready for three or four, five
- 14 years down the road when there is enough penetration
- that we need to have all the other partners with us?
- 16 COMMISSIONER ELLIOTT: Well, the first question
- 17 I'd ask everyone and I probably should have asked it
- 18 to the last panel as well, is when you buy a car, you
- 19 don't get an electric rate. So what authority does
- 20 this Commission or any of us have in terms of having
- 21 someone move off of a flat rate to the and RTP which
- 22 we know is going to be the best solution to all of

- 1 these problems, but how do we manage that and should
- 2 we?
- 3 MS. BECKY STANFIELD: Commissioner, I think
- 4 it's a very important question. I think the best we
- 5 can do now as far as authority is encouragement and
- 6 that starts -- in our comments we had suggested a
- 7 coordinated process at the time of sale. From the
- 8 customer's perspective, that's the time to think
- 9 about these things that think. We know this car is
- 10 going to be different particularly with the early
- 11 adopters and they're thinking, What have I got to do
- 12 to make this thing work? And if we can have
- 13 education starting at the point the sale, I think
- 14 that will be very helpful in having them understand
- 15 that this electric rate is part and parcel to the car
- they're buying, they're one package.
- Now, Mr. McMahan made a good point
- 18 earlier that from the utilities perspective, he's not
- 19 interested in the installation of the charger at
- 20 home, that that's the point that makes a difference
- 21 to the utilities perspective. From a program design
- 22 perspective, however, if you have to educate every

- 1 customer in the state that might buy an electric
- 2 vehicle that they need to talk to the utility company
- 3 that put in a charger or even every electrician in
- 4 the state who may come to install one, just say you
- 5 have to tell your customers when you install a call
- 6 charger that they need to talk to their utility.
- 7 That's going to be very difficult. And at that point
- 8 in time might come a little separated from the buying
- 9 of the car as well. If you were to educate a dealer
- 10 association, it might be much easier to get that
- 11 information --
- 12 COMMISSIONER O'CONNELL-DIAZ: But here I think
- 13 we can utilize a stage that's there for the car. The
- 14 Secretary of State's Office could be apart of that
- 15 that process of -- and the other think -- and I
- 16 didn't mean to interrupt you.
- 17 MS. BECKY STANFIELD: It's okay. It's an
- 18 excellent point.
- 19 COMMISSIONER O'CONNELL-DIAZ: I think people
- 20 that are going to be purchasing these cars, certainly
- 21 the first waive, first adopters, there's going to be
- 22 educated people they are also going to understand

- 1 that there's a different behavior than driving up to
- 2 the pump and putting gas in and paying \$4 a gallon or
- 3 \$5, whatever it's going to be. In order to license
- 4 the car, you're going to have to have the car
- 5 licensed. It's a different type of vehicle and maybe
- 6 that's the place where you would have to have -- and
- 7 I don't want that to be a barrier to someone
- 8 purchasing a car like that, but you need to know how
- 9 to operate it and you need to know how to operate it
- 10 so it's optimal for your pocketbook too. And I think
- 11 people are very savvy with regard to their cost
- 12 conscience. These are not supremely inexpensive
- 13 cars. They understand that their behavior is going
- 14 to be part of -- and that may be the reason they're
- 15 buying them too.
- 16 So I do agree that it's a
- 17 multi-fronted approach. And I think in our
- initiative we're going to be balancing how do we get
- 19 that customer educated. And I don't think it's that
- 20 we're going to be educating everyone in Illinois
- 21 about electric vehicles. It's a certain segment
- 22 that's going to be buying this vehicle and it isn't a

- 1 car that everyone is going to buy. But there's going
- 2 to be people out there buying that car and we have to
- 3 get them in here and our state selling them first
- 4 off. We need to have our kind of educational and our
- 5 own infrastructure with regard to how and what's
- 6 going to happen, then we're ready to go.
- 7 COMMISSIONER ELLIOTT: Maybe we should have
- 8 something on the lid that you open up that says runs
- 9 best on real-time pricing.
- 10 MS. JONATHAN GOLDMAN: I think there will be
- 11 multiple avenues for something to have to happen
- 12 either the utilities, through the car dealerships,
- 13 but the key piece that's missing right now is a
- 14 regulatory scheme. There are no rate structures
- 15 specific to --
- 16 COMMISSIONER O'CONNELL-DIAZ: We don't like
- 17 that word "scheme." It sounds bad.
- 18 MR. JONATHAN GOLDMAN: Regulatory structure.
- 19 And that's really the missing piece of
- 20 infrastructure. We've got charging stations in place
- and coming, we've got the cars that will eventually
- 22 be here, but if you look, for instance, at what was

- done in Michigan, there was a series of different
- 2 rate options that were adopted by the PUC there. And
- 3 I think one goal of this process should be to have
- 4 utilities put in place multiple options. Perhaps a
- 5 consumer who's charging at home just wants one rate
- 6 structure for the home and the car. Maybe someone
- 7 else wants the ability to break the car out
- 8 separately either on the flat rate or on a time of
- 9 day rate of real-time pricing rate.
- 10 From I-GO's perspective, we think
- 11 there ought to be a rate put in place that joins
- 12 together where someone is putting in similar
- generation tied to the EV charging because there's
- 14 huge benefits there. So I think once the
- infrastructure of the rates are put in place, that
- 16 will drive consumer behavior once they have options
- 17 and if the rates are done correctly, it will be
- 18 incentives for them to choose one rate structure over
- 19 another and to get the societal benefits that we're
- 20 looking for.
- MS. BECKY STANFIELD: This may seem obvious,
- 22 but it's not necessary to conclude that you have the

- 1 authority to regulate as a full public utility. What
- 2 California did is that they found that others sources
- 3 of authority related to this authority over tariffs
- 4 and rules and rates to take the limited approach to
- 5 regulating the market to ensure service was not
- 6 interrupted and the environmental standards that they
- 7 have worked so hard are carried over to this new
- 8 market.
- 9 MR. CHRIS THOMAS: We have a set of programs
- 10 here in Illinois that have been extraordinarily
- 11 successful in terms of sending dynamic pricing to
- 12 customers and not the real-time prices for both
- 13 utilities. And I think that that is an
- 14 infrastructure that we can use. There's already an
- 15 established educational channel for both utilities in
- 16 that -- on those programs. And I think that we
- 17 should expand what we are already doing on real-time
- 18 pricing to the car frankly.
- We've already got an obvious solution
- 20 in my mind siting right in front of our face. We
- just need to have the sort of vision to push it
- 22 forward and to tie the education together at the

- 1 point of sale in a way that does stimulate the right
- 2 sort of connecting for the customer so that they can
- 3 see that this car can be extraordinarily beneficial
- 4 to them, the environment, and the electricity grid if
- 5 they just follow the economic as it is.
- 6 MS. SHARON HILLMAN: I think that I agree with
- 7 Chris around in terms of the traditional utility
- 8 option for residential customer RTP is in place in
- 9 both the major utilities. I'm on it myself at my
- 10 home. My company doesn't currently offer residential
- 11 ARES offerings, but others are starting to do that
- 12 and we will be. Given my history on RTP, if I can
- 13 get my hands on an electric vehicle, I will very much
- 14 pay on RTP. Anyone who really understands will
- 15 understand why it's a good option. And I think ComEd
- 16 did a nice analysis of that in their comments.
- 17 As to the education, one of the things
- that if you've spoken with GM or Nissan about what
- 19 they're doing at point of sale, they are rolling out
- 20 business models as to how they deliver these cars.
- 21 GM talks about their team. Nissan also has a whole
- 22 different process for buying and screening electric

- 1 cars. They actually will reject you if they don't
- 2 think you have the right driving habits.
- 3 So a lot of the education is actually
- 4 being offered by the vehicle manufacturers in terms
- of they want the consumer to have a good experience.
- 6 They want this to succeed. I think that in terms of
- 7 keeping the cost down for the public because this is
- 8 a niche. It's certainly at the beginning even 20
- 9 percent it's still a niche. Coordinating there is
- 10 important and that may include what the utility
- 11 options are or what the free market options are.
- 12 We're just starting to see ARES
- 13 competition and other aftermarket here. My own
- 14 company one of the products that we offer at this
- 15 small commercial level that distinguishes us is a
- 16 variable priced product. A price that varies with
- 17 time of day, but also has price cast for extreme
- 18 situations. So that you can take away some of the
- 19 anxiety that goes with going something like an hourly
- 20 or time of use type price.
- 21 MS. MADELEINE WEIL: I think that the
- 22 automobile dealers are going to be the very best

- 1 mechanism for communicating the types of prices and
- 2 rates that are available to benefit the customers
- 3 that they want to sell to. I think that they're
- 4 definitely on that and they're big fans of time
- 5 variable rates. Again, as another sort of framing
- 6 principle, we think that realtime pricing is going to
- 7 be a terrific option for a lot of perspective
- 8 electric vehicle buyers in Illinois, but we think
- 9 that there are some that might not want to have their
- 10 whole home on a real-time pricing rate. And we think
- 11 that allowing them to make different choices is also
- 12 important.
- 13 Again, this is also new as Chris
- 14 pointed out. We don't yet have a good sense of what
- 15 the consumer behavior -- how that will really unfold.
- 16 And so allowing consumers to have the choice of
- 17 real-time pricing in the existing program is very
- 18 important. We also think that it's important to
- 19 offer some newer options, perhaps a time of use rate.
- 20 The ability to have your car charged on a separate
- 21 meter or sub-meter or some other kind of way
- 22 separating your load, we think that that might be

- 1 important to some consumers.
- 2 So I think, again, on the principle of
- 3 not foreclosing options that might be good for
- 4 consumers now before we really now how the smart grid
- 5 is evolving we want to make sure that we're look at
- 6 many opportunities.
- 7 COMMISSIONER FORD: I was simply going to say,
- 8 Mr. Goldman, you said you were going to install 36
- 9 stations. Were they going to be Level 2 or Level 3
- 10 stations?
- 11 MR. JONATHAN GOLDMAN: Those will be Level 2
- 12 stations. And I just wanted to add quickly in
- 13 looking at the vehicles that are going to be coming
- 14 out of the market, there's tremendous technology
- 15 advances in terms of programmability. So if you are
- 16 charging a car at home using a realtime price rate,
- 17 you can actually program the car to only charge when
- 18 the prices at a certain point. And that type of
- 19 flexibility, you know, we don't need to address tis
- 20 right away, but down the road there's going to be the
- 21 ability for that car battery if your battery goes out
- 22 at home during storm, you can run your home off of a

- 1 car battery. And ultimately to be able to do vehicle
- 2 to grid again without programability, you know, that
- 3 if the peak price for power hit a certain point well
- 4 you take power off of the battery and back onto the
- 5 grid which is good for the consumer, but also
- 6 improves reliability and improves cost for the
- 7 utility companies as well.
- 8 MS. BECKY STANFIELD: We would urge to the
- 9 Commission consider whether you have the authority to
- 10 actually require smart charging infrastructure that
- does have the capability of responding to pricing
- 12 because we think that that is the most likely way
- 13 we're going to be able to maximize the load shifting
- 14 functions. And it may not be necessary right away,
- but you may want to send a signal that says the
- 16 direction you're heading in for the long term.
- 17 MR. JOSH MILBERG: Building on the education
- 18 component, I also think it's important to think about
- 19 what technologies people are putting into their home.
- 20 It seem that it's been a bit of a foregone conclusion
- 21 during the conversation that consumers are going to
- 22 put Level 2 charging into their home. It's the

- 1 City's contention, and I think it's probably shared
- 2 by many people, that Level 1 charging will be more
- 3 than sufficient for the vast majority of consumers
- 4 for in-home charging especially when you have a
- 5 publically available charging structure somewhere
- 6 that we're putting here in the City of Chicago. Now
- 7 that doesn't get to the educational component of
- 8 real-time pricing, but what it does allow you to do
- 9 is really -- the less you educate the consumer
- 10 effectively to understand what are the right
- 11 technologies based on their behaviors and their needs
- 12 that will get them where they need to charge.
- 13 COMMISSIONER FORD: But that Level 1 charging
- is a slow charge. That Level 2 is a \$1500 to \$3000
- 15 charge at Level 2.
- 16 COMMISSIONER ELLIOTT: That's what prompted
- 17 California's Commission was Michael Peevey's wife
- 18 Level 1 charging her Mini Cooper and it never got
- 19 charged. She ended up on the street in many
- 20 different locations and Michael didn't like that. So
- 21 he instituted a Commission hearing on charging.
- MS. BECKY STANFIELD: I actually think that

- 1 people who are going to buy electric vehicles, at
- 2 least the early adopters are going to want the faster
- 3 charging.
- 4 COMMISSIONER ELLIOTT: Yeah, system mobility
- 5 issues as well.
- 6 MR. JOSH MILBERG: The fact is that that's only
- 7 truly slow at this point if you're going from zero to
- 8 full. But what we found from the research is that
- 9 around 92 percent of all commutes in the Chicagoland
- 10 region are 40 miles or less. That does not deplete
- 11 your battery even on the coldest of days. And also
- 12 if you're plugging it in during the evening hours
- 13 when you're at home, it takes 12 to 18 hours to go
- 14 from zero to full charge. So unless you're planning
- on only plugging your car in for 3 to 6 hours, then
- 16 fully charge will get you where you need to go, and
- 17 it also then saves the consumers between \$500 to
- 18 \$2000 in upfront costs of putting that infrastructure
- into their home. So there's some real opportunities
- 20 and I think part of this as Chris said in his opening
- 21 comments is that we're going to learn what consumers
- are looking to do and what they want to do. I know

- 1 that initially the vehicle manufacturers were all
- 2 really selling consumers or in some respects forcing
- 3 consumers to purchase Level 2 chargers for their
- 4 home. The ones that I spoke to are all moving off of
- 5 that statement because -- especially in places where
- 6 you have PE quick charging Level 2 capability
- 7 publically available, that that no longer is
- 8 necessary.
- 9 COMMISSIONER O'CONNELL-DIAZ: As we move
- 10 forward with the technology that's going to serve
- 11 these cars, I would imagine that we'll see some of
- 12 those prices for those charging stations go down
- 13 based important good old supply and demand. If
- 14 there's more demand there will be more supply and
- 15 possibly prices would go down. So that Level 2 may
- 16 become like the Level 1 that you're talking about.
- 17 MR. JOSH MILBERG: Certainly and I think
- 18 there's the opportunity also for more technology that
- 19 we aren't currently available on and that pushes the
- 20 curve as well. And I think right now the way that
- 21 we're looking at it especially in a place where
- 22 you've got -- develops an opportunity of a publically

- 1 available infrastructure and you're in the home for
- 2 those that have in-home capability, then making sure
- 3 that your choosing the technology that's right for
- 4 you is going to be extraordinarily important.
- 5 COMMISSIONER FORD: Jonathan, how far apart are
- 6 these charging canopies that you're talking about?
- 7 MR. JONATHAN GOLDMAN: We're going to be doing
- 8 18 locations primarily in the City, but at least a
- 9 couple in the suburbs. We'll have two vehicles and
- 10 two charging stations at each of the locations with
- 11 the canopies. So in terms of geographic distance,
- 12 each one may be a mile or two apart, but collectively
- 13 across the region quite a bit further.
- 14 And one other thing that I'll just
- 15 mention is that obviously with this type of equipment
- in place, we're going to be looking at net metering
- 17 as an option. But the current metering law does not
- 18 allow aggregation across multiple locations. And
- 19 obviously for the type of thing that we're doing,
- that would be a huge, huge benefit and we're actually
- 21 looking at the possibility of statutory change in
- 22 Springfield on that.

- 1 COMMISSIONER O'CONNELL-DIAZ: And these are
- 2 solar powered generated stations?
- 3 MR. JONATHAN GOLDMAN: Right. Each one is
- 4 going to be about ten kilowatts in capacity, so these
- 5 will be fairly large canopies roughly 40 feet by
- 6 20 feet. So in total we will be putting in 180
- 7 kilowatts of solar in the region which is not
- 8 substantial.
- 9 COMMISSIONER O'CONNELL-DIAZ: So that moves
- 10 away the issue of the clustering problem that would
- 11 occur. Folks were charging at those stations given
- 12 the fact that it's self-powered.
- 13 MR. JONATHAN GOLDMAN: Right. And our charging
- 14 stations will be dedicated for our work vehicle use.
- 15 They won't be used by their consumers although they
- 16 will be largely in public locations because that's
- 17 where I-GO has its vehicles.
- 18 ACTING COMMISSIONER COLGAN: I've heard several
- 19 people talk about the importance of education. I've
- 20 also heard the first responders to this are probably
- 21 going to be the group that needs the least amount of
- 22 education because they're already really

- 1 self-motivated to get off into it. Who's doing the
- 2 thinking in terms of the more comprehensive education
- 3 project that will need to happen out into the larger
- 4 more general society even for people who are not now
- 5 our anytime maybe in the near future ready to move to
- 6 this kind of technology, but nonetheless may in the
- 7 short term start having to pay for it?
- 8 MR. CHRIS THOMAS: Well, Commissioner, I hope
- 9 that's why we're here, frankly. I'm not sure that
- 10 there's any -- there's no coordinated effort for
- 11 sure. There are a lot of people thinking about it
- 12 and one of the things I'd like to see come out of
- 13 this initiative is a concerted effort in Illinois
- 14 where we're all working together on messages and
- 15 trying to tie this communication and this education
- 16 together in a way that's not been done anywhere else.
- 17 That's one of the ways that we can
- 18 help the City meet it's division of making Chicago a
- 19 home for EVs and to help the Governor make Illinois a
- 20 home for EVs. I think we need a really clear vision
- of what the benefits are, how we message those
- benefits to customers, and how we educate the public

- 1 about -- and it's not only of this change, but it's
- 2 just changing energy consumption patterns in general.
- 3 ACTING COMMISSIONER COLGAN: It seems to me
- 4 like -- this looks like to me a wedge issue that has
- 5 multiple dimensions to it. That while we don't need
- 6 the big comprehensive package to begin with, I heard
- 7 one speaker say that once you get something built and
- 8 you get it on the ground then behavior starts
- 9 happening as a result. So what I hear you saying
- 10 possibly is that you would like to see the
- 11 Collaborative process have as a goal some sort of a
- 12 comprehensive education project that continually
- 13 unfolds because the society in general needs to know
- 14 a lot more about electricity and electricity policy
- as we move to this new future that we're headed
- 16 towards. Am I hearing you say that this process is
- 17 opportunity to open that up?
- 18 MR. CHRIS THOMAS: That's exactly right. I
- 19 think that my view of this process, and I think a
- 20 view that we tried to articulate in our comments is
- 21 that there's short term and a long term focus. The
- 22 short term is how do we sort of simplify the adoption

- 1 for the initial adopters. The longer term a how do
- 2 we use the experience of the initial adopters to
- 3 transform the way we think about energy in general
- 4 which I think is exactly the point that you're
- 5 making. How do we transform the culture of sort of
- 6 energy usage in Illinois? This is what everybody is
- 7 talking about and nobody has figured out how to do it
- 8 and I hope we can use this collaboration to talk
- 9 through those issues and to begin a more structured
- 10 and formal process to do that.
- 11 MR. JOSH MILBERG: There is information that
- 12 can be leveraged as part of that conversation. The
- 13 City is receiving pro bono support from Roland Berger
- 14 Strategy Consultants to help us think through some of
- the mid and long term challenges with becoming an EV
- 16 capital and one of those si that a broad-based
- 17 education as people start to think about this and how
- 18 they use electric vehicles both for themselves but
- 19 also through cautionary organizations.
- 20 And so we are certainly actively
- 21 thinking about that, but I do think that that can
- 22 build into this broader collaboration that we're

- 1 taking about here.
- 2 MS. MADELEINE WEIL: And I suggest that there
- 3 are good opportunities for that. I think that the
- 4 frame of that conversations is sort of better
- 5 structured as not that the broader public needs to
- 6 understand more about this because everybody needs to
- 7 pay for it, but the flip of that which is the broader
- 8 public should understand about this because everybody
- 9 is going to benefit from it both in terms of reducing
- 10 our reliance on foreign oil, national security costs.
- 11 We're going to be -- the electric grid and renewable
- 12 energy and energy efficiency and everything that goes
- into smart grid and stuff that creates jobs here, the
- 14 Battery Manufacturers Association, we've got a lot of
- 15 battery manufacturers that are looking in Illinois,
- 16 that are up the street in Michigan.
- 17 So I think that -- this shouldn't --
- definitely we should all in this room be very careful
- 19 to not frame this as, Oh, this is going to cost our
- 20 ratepayers and the electric infrastructure is going
- 21 to be so expensive. But this is a great opportunity
- 22 for us here in Illinois to advantage the distribution

- 1 grid and to create some new opportunities for new
- 2 economic development.
- 3 ACTING COMMISSIONER COLGAN: I agree with that,
- 4 but I also know that if the general public doesn't
- 5 understand all of the these issues and their utility
- 6 bills keep going up to pay for it, it's going to be
- 7 an issue of the cost of it. So I think you're right
- 8 that that's why you have the public education and the
- 9 outreach effort to get the education out there about
- 10 how this could benefit society as a whole which is
- 11 really lacking at this point.
- MR. CHRIS THOMAS: Commissioner, this is
- 13 something that this industry -- not just Illinois,
- 14 but the electric utility industry nationally hasn't
- been very good at. And I think you've seen this pop
- 16 up in different ways in different places. I think we
- 17 need to change the way we think about the questions
- 18 you're addressing to help people understand that
- 19 we're trying to change the system for their benefit
- 20 at the end the day and I don't think we've been very
- 21 good at that as an industry.
- 22 COMMISSIONER O'CONNELL-DIAZ: I'm just going to

- 1 load in here. We've been around and around doing
- 2 different types of initiatives throughout the time
- 3 I've been at the Commission. And what it takes and
- 4 what I'm hearing is honest brokerage and that
- 5 everyone is going to be in the pool looking for the
- 6 brick that's at the bottom that we're all going to
- 7 use. There going to be cost involved in this. Let's
- 8 not be shy about it. Let's be upfront about it. It
- 9 should not be utilized for political gains, the
- 10 issues that are discussed in this type of an
- 11 initiative. We're trying to change the way that we
- 12 do energy in this country. And the people that use
- 13 it that pay for it have to be on that train with us.
- 14 So for all of us -- and it's very nice
- to hear the efforts and the people have presented
- 16 here today and we have a lot of brain power and we're
- 17 really excited about it, but honest brokerage is
- 18 going to rule the day. And that means when it comes
- 19 down to the place where this Commission is going to
- 20 have to pass on costs and do -- and it's all about
- 21 the opportunity I totally get that. I understand
- 22 that, but that's where the rubber ducky meets the

- 1 road at some point in time.
- 2 So we're going to have to package that
- 3 up with a real nice big bow and get out there and --
- 4 and I'm not saying we sell a stake or anything,
- 5 because what we're doing is we're selling the future
- 6 that our country has to move to. So we all have a
- 7 place to play in it and just having lived through
- 8 some other endeavors, I hope that we have a different
- 9 outcome.
- 10 COMMISSIONER ELLIOTT: If I can add to that, I
- 11 think that just looking around the table we're
- 12 talking about trying to describe the elephant.
- 13 Everybody has had a little piece of elephant and what
- 14 their idea of their section. But one of the things
- 15 that I thought was -- that came out of the National
- 16 Action Plan for Demand Response from FERC and DOE was
- 17 the collaborative of collaboratives for communication
- 18 purposes. All of the parties that are effected in
- 19 this industry got together to collaborate on the
- 20 communication piece. And it seems to me that this is
- 21 ideal for that type of collaboration of
- 22 collaboratives. That everyone has a piece of the

- 1 message, but not the entire message necessarily. And
- 2 so it seems that if we can deliver something like
- 3 that out of this, how that can be an effective tool
- 4 in trying to get everyone onboard on a consistent
- 5 message that provides strategies going forward.
- 6 COMMISSIONER FORD: And I certainly understand
- 7 what John is saying because John is on our consumer
- 8 Committee for NARUC. And if we don't have -- and I
- 9 call it professional development from my old way of
- 10 learning and best practices out there, we'll be
- 11 pillaging again if we raise a rate \$1 because these
- 12 individuals are not going to understand that two
- 13 people in their neighborhood with a Tesla or whatever
- 14 kind of car they're going to drive -- and I don't
- mean to be an impediment, but these are real prices
- 16 that we're talking about and these are real issues
- 17 that will come back and we would have to address.
- 18 And everyone sitting at these tables would have to be
- 19 on the table with us. We cannot have intervenors in
- 20 these rate cases saying this should not be and yet
- 21 you sit at the table and tell us tonight that we need
- 22 two do these kinds of things. And that's what I see

- 1 when Erin says honest brokerage and I certainly agree
- 2 with that.
- 3 COMMISSIONER ELLIOTT: I think there's an
- 4 excellent issue I wanted to bring up and that's
- 5 market structure. If we look at the commercial side
- of things, 100 KW and above in ComEd is all default
- 7 hourly. So we know the commercial customer if they
- 8 don't go with some other provider is going to be
- 9 paying ComEd the hourly price for energy. That's
- 10 reasonable what we have and we've all discussed that
- 11 we have an RTP rate that is available,
- 12 quasi-available I suppose, and could use a little
- 13 work in my mind; but needless to say it's a tariff
- 14 that's on the books.
- On the other side of the coin is we
- 16 have a legislative mandate for a fixed price product
- 17 that is delivered through the Illinois Power Agency.
- 18 Another aspect is that we have a competitive
- 19 marketplace with new entrants coming in every day
- 20 trying to make a determination of were their spot is
- in this new and developing world of technology.
- 22 You've heard the utilities talk about being IDCs,

- 1 Integrated Distribution Companies. They are
- 2 forbidden from doing certain things and they need to
- 3 get waivers.
- 4 So in all of this landscape the issue
- 5 is we've got a legislative mandate, we already have
- 6 an RTP rate. What is it that the Commission can do
- 7 here. Can we put everyone on default RTP because I
- 8 don't know whose driveway this electric vehicle is
- 9 going to show up at. That doesn't seem to be a
- 10 solution that anybody would want to venture out on
- 11 with very low penetration rates, but what do you do?
- 12 If you have a mandate to do a fixed rate product, you
- 13 can't mandate anyone that buys electric vehicle to go
- 14 on RTP rate. There are going to be customers that
- 15 are going to go with a flat rate.
- 16 What are our options given these
- 17 structures and how much should we do? How much
- 18 should we leave to the competitive providers to
- 19 provide a solution, to use the competitive market to
- 20 provide those environmental benefits for them to
- 21 provide the solution? I'd like to hear a little bit
- 22 about, you know, how hamstrung are we given our

- 1 market structure and what should we be doing and
- 2 waiting for the competitive market to do or should
- 3 we?
- 4 MS. SHARON HILLMAN: Obviously representing a
- 5 COB, because the competitive market is a very large
- 6 part of (unintelligible) -- and on the renewable side
- 7 which I neglected to mention, several of our
- 8 customers that have charging station customers, they
- 9 typically will buy 100 percent wind. Because when
- 10 you look at the difference between the price of
- 11 electricity and gas, gas is at \$5. There's plenty of
- 12 room there to pay for renewables.
- 13 We have a situation in the state right
- 14 now where we can physically build more room, but we
- 15 have transition constraints and we have pocketbook
- 16 constraints. Those are going to start to hit up
- 17 against the cap. And so I think the vehicles do
- 18 represent a real opportunity for the competitive
- 19 market to -- if there's not to much regulation and if
- 20 there's innovation -- clearly someone who's buying
- one of these cars is going to have an interest in the
- 22 environment. Certainly probably the first 5 to

- 1 10 percent and no one is really saying penetration is
- 2 going to be much more that about 20 for quite a
- 3 while.
- 4 So one of the things that the
- 5 competitive markets are already doing is there's a
- 6 huge amount of opportunity or dislocation. There's a
- 7 one-time transformation when someone buys their first
- 8 electric car. They pay a little bit more to go on
- 9 the program at they're home or at their charging
- 10 station whether it's a solar canopy or a charging
- 11 station who's buying from a RES because the
- 12 commercial location potentially being a hundred
- 13 percent wind. So -- and at this point that's not a
- 14 very large cost. And even if the price of wind were
- to go up from a buck a kilowatt per hour all the way
- 16 back up to \$35 a kilowatt per hour, there's plenty of
- 17 room between the price of gasoline and the price of
- 18 electricity to incorporate that.
- So there's -- some of us really do
- 20 feel that the competitive market can be a big part of
- 21 that opportunity and are excited by fact that the
- 22 residential market is now finally starting to work

- 1 here over a number of years -- basically the market
- 2 has evolved both within the utilities and the
- 3 structure.
- 4 MR. CHRIS THOMAS: On some level I think,
- 5 Commissioner, we're still mixing those short term and
- 6 long term issues. I think that the competitive
- 7 market is beginning to develop. I think that a lot
- 8 people have a lot of hope. I don't want to put our
- 9 faith in the fact that the competitive market might
- 10 or might not develop. I think we have to think about
- 11 how to handle this initial transformation and how to
- 12 handle these initial customers in a way that sets the
- 13 stage for the competitive market to come in if that's
- 14 what we're going to do. If that's the direction that
- we're heading which appears to be the direction by
- 16 the legislature over that is sometimes a fluid
- 17 situation.
- We need to make sure we're getting it
- 19 right with those first 1000, 5000 customers so
- 20 they're having a positive experience. Because all it
- 21 take it is one bad experience that's bad enough to
- 22 cause a turn in public sentiment and I think we need

- 1 to be very aware of that as we go through this
- 2 change. That's why I want to reiterate, again, I
- 3 think the idea of bifurcating this into both the
- 4 short term -- call them tariff's, defining issues, if
- 5 you will, for how he handle those initial customers
- 6 while still setting up a process to talk about the
- 7 long term issues.
- 8 Some of the longer term issue are
- 9 sticky. There's no question about that, but they
- 10 don't need to muddy up the short term conversation
- 11 that we have for those first 1,000 customers or first
- 12 10,000 customers I couldn't even tell you what it is.
- 13 It's not very many and the impact and dollar amount
- 14 aren't as big as -- I think will get lodged in
- 15 people's mind if we start to talk about making global
- 16 decisions in a short term process.
- 17 So if you bifurcate those issues it
- 18 will make it much easier for the stakeholder
- 19 community. This is just my experience in going
- 20 through all the stakeholder processes that I've been
- 21 through. If we're able to bifurcate the issues of
- 22 the short term and long term, define goals for the

- 1 short term, tell us exactly what you want, give us a
- time frame, give us what you expect us to do in that
- 3 time frame and then define the longer term issues in
- 4 a longer bigger process, I think you'll have an
- 5 effective outcome with minimizing some of that back
- 6 and forth that's come to pass.
- 7 MS. ANNE McKIBBEN: I think that's a very good
- 8 point. And focussing on the short term outcome on
- 9 that initial customer for the first 3,000 customers,
- 10 we can fine tune that experience and make that
- 11 experience as good a possible. That will make a huge
- 12 difference in our ability to educate the public at
- 13 large later on. Not just because we'll have some
- 14 experience with what we should do to educate the
- public, but because ultimately the public are
- 16 educated by their coworkers, their friends, and their
- 17 family. And if we put out good messages in the very,
- 18 very beginning that gets people -- and people love to
- 19 talk about their cars. So this is really a good
- 20 opportunity to get these first few folks happy and
- 21 engaged and they're going to be the ones who most
- 22 likely like to be engaged, then I think that will at

- 1 set us up really well in the long run.
- 2 MS. MADELEINE WEIL: There's another thing kind
- 3 of -- potentially a short term issue that might fall
- 4 into the basket of things that need to be dealt with
- 5 now and it's something that's outside of the ICC's
- 6 purview, but it's something that could muddy the
- 7 experience of the first couple thousand customers and
- 8 that has to do with local codes, building codes,
- 9 electrical codes, standards, inspection process,
- 10 permitting processes, all those things have the
- 11 potential to take a lot of time and be a real hassle
- 12 for the first generation of PE owners in the state.
- 13 I'm not sure exactly what state agency
- 14 or what body is the right body to address that in a
- 15 comprehensive way, but I do want to flag it here to
- 16 say that's another short term issue that somebody has
- 17 got to deal with.
- 18 MR. JOSH MILBERG: I can speak to that. As
- 19 part of our project we interviewed a task force of
- 20 the local City agencies that are involved and all the
- 21 permitting necessary to make sure that we can do this
- 22 efficiently and effectively. We are continually

- 1 looking at that process and defining that process so
- 2 that we can replicate it for our other projects so
- 3 that private projects are being moved forward.
- I also think once again that that
- 5 brings up a great point of why we need to look at
- 6 this portfolio on different technologies. You don't
- 7 need any sort of code change and doesn't need any
- 8 sort of permit to plug in a 110 voltage into your
- 9 garage. I think that it's important for us to be
- 10 thinking what are the important changes? What are
- 11 the important processes that we need to make sure or
- 12 streamline to make this effective.
- 13 ACTING CHAIRMAN SCOTT: And following up on
- 14 that that's Chicago, but if you are in Decatur or if
- 15 you're in Springfield or Rockford, do you have any
- 16 knowledge of whether that same level of looking at
- 17 this is going on?
- 18 MR. JOSH MILBERG: So I can say that this is
- 19 being looked at by a number of different communities.
- 20 DCO announced the partnership with Mitsubishi in
- 21 Illinois. We are also actively involved with -- the
- 22 Chicago Electric Vehicles Consortium is a regional

- 1 body. We're looking at working with the other
- 2 municipalities and other local Governments to see how
- 3 we can meet the standard so we can be attractive for
- 4 all of those vehicle manufacturers to bring us cars.
- 5 We are in the first wave for Ford. We are in the
- 6 first wave for Mitsubishi. We are working with
- 7 vehicle manufacturers and this is on of those things
- 8 that they've asked of local government is to make
- 9 sure that it's streamlined so that you can have a
- 10 customer experience.
- 11 MS. ANNE McKIBBEN: There's also an association
- of building code officials. So there are a number of
- 13 other organizations that should be brought in to
- 14 discuss this early stage effort.
- MR. JONATHAN GOLDMAN: I think it's natural as
- 16 we look at sort the unknown moving forward to have
- 17 concerns about how this is going to play out, what
- 18 the impacts are going to be, who's going to pay and
- 19 so forth. But I was a little struck in the opening
- 20 presentation the reference to when air conditioning
- 21 was first put in. And I have to suspect that the
- 22 pervasiveness of the use of air conditioning into

- 1 housing stock over 30, 40 years probably far more
- 2 disruptive to the utilities than the addition of
- 3 these electric vehicle are going to be in the next 5,
- 4 10, or 20 years. Thinking likewise, the adoption,
- 5 you know, what's the impact on the grid of millions
- 6 of plasma TVs that were put in people's home over the
- 7 last 10 years. Again, I suspect that was far more
- 8 disruptive.
- 9 I certainly don't recall any
- 10 discussions about, Oh my God. Somebody is going to
- 11 put this monster plasma TV in their home and the
- 12 personal next door and all the way down the block is
- 13 going to do it. Do we need to breakout a separate
- 14 rate structure just for those TVs or just for those
- 15 air conditioners?
- 16 COMMISSIONER ELLIOTT: We also have transformer
- 17 problems from them.
- JONATHAN GOLDMAN: We have a lot of work to do,
- 19 but perhaps take this conversations in stride as
- 20 well.
- 21 COMMISSIONER ELLIOTT: I just happened to be in
- 22 a NBA players neighborhood. He had a bunch of plasma

- 1 TVs all over the house and the neighbors did have a
- 2 transformer problem.
- 3 MS. BECKY STANFIELD: The difference between
- 4 EVs and plasma TVs is that the benefits the EVs can
- 5 bring to the grid.
- 6 COMMISSIONER O'CONNELL-DIAZ: Okay. The time
- 7 is now for us to conclude this meeting. On behalf of
- 8 the Commission I would like to thank the
- 9 Commissioners for being part of the discussion. It
- is so obvious to me and I'm sure it's obvious to
- 11 everyone in this room that it's going to be really an
- 12 exciting road for us to travel together.
- We're going to have to do it together.
- 14 We have a lot of work to do. We're going to be
- 15 calling on you a lot because you're kind of like
- 16 ahead of the curve. So tell your friends we want
- 17 them to join the party. And we will be planning on
- 18 the next stages of this initiative in which we will
- 19 be breaking out into smaller working groups, and
- 20 obviously based on our discussion here today, I've
- 21 already got like notes here. I will be looking to
- 22 you for input based upon our discussions today as to

1 how best to structure the next step. I think that we were initially 2 thinking that we would have answers to things a lot 3 4 sooner than I think we might. We want to get this going and we want to do it correctly. So we will be 5 sending out notices relative to our next steps. And 6 I would like to thank Chairman Scott for being my 7 co-chair and we're going to work really well. And 8 9 also all of the other Commissioners will be 10 participating in this at a full tilt because this is 11 our future and we have all have a stake in it. 12 So thank you everyone and thanks for 13 bringing the charging station and we'll now go get in 14 our gas guzzling machines and go home. Thank you. 15 (And those were all the 16 proceedings had.) 17 18 19 20 21

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